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ABSTRACT OF THE PROCEEDINGS
OF
THE COUNCIL OF THE GOVERNOR GENERAL OF INDIA
ASSEMBLED FOR THE PURPOSE OF MAKING
LAWS AND REGULATIONS,
1904.
WITH INDEX.

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Proceedings of the Council of the Governor General of India, assembled for the purpose of making Laws and Regulations under the provisions of the Indian Councils Acts, 1861 and 1892 (24 & 25 Vict., c. 67, and 55 & 56 Vict., c. 14).

The Council met at Government House, Calcutta, on Friday, the 8th January, 1904.

PRESENT :

His Excellency Baron Curzon, P.C., G.M.S.I., G.M.I.E., Viceroy and Governor General of India, *presiding*.

His Honour Sir A. H. L. Fraser, K.C.S.I., Lieutenant-Governor of Bengal.

The Hon'ble Mr. T. Raleigh, C.S.I.

The Hon'ble Sir E. F.G. Law, K.C.M.G., C.S.I.

The Hon'ble Major-General Sir E. R. Elles, K.C.B., K.C.I.E.

The Hon'ble Sir A. T. Arundel, K.C.S.I.

The Hon'ble Sir Denzil Ibbetson, K.C.S.I.

The Hon'ble Rai Sri Ram Bahadur.

The Hon'ble Mr. A. W. Cruickshank, C.S.I.

His Highness Raja Sir Surindar Bikram Prakash Bahadur, K.C.S.I., of Sirmur.

His Highness Agha Sir Sultan Muhammad Shah, Agha Khan, G.C.I.E.

The Hon'ble Mr. Gopal Krishna Gokhale, C.I.E.

The Hon'ble Mr. E. Cable.

The Hon'ble Nawab Saiyid Muhammad Sahib Bahadur.

The Hon'ble Mr. F. S. P. Lely, C.S.I.

The Hon'ble Mr. H. Adamson, C.S.I.

The Hon'ble Mr. A. Pedler, C.I.E., F.R.S.

The Hon'ble Mr. T. Morison.

The Hon'ble Dr. Ramkrishna Gopal Bhandarkar.

The Hon'ble Mr. J. B. Bilderbeck.

The Hon'ble Mr. D. M. Hamilton.

The Hon'ble Rai Bahadur B. K. Bose, C.I.E.

The Hon'ble Dr. Asutosh Mukhopadhyaya, D.L., F.R.A.S., F.R.S.E.

NEW MEMBERS.

The Hon'ble RAI BAHADUR B. K. BOSE and the Hon'ble DR. ASUTOSH MUKHOPADHYAYA took their seats as Additional Members of Council.

POISONS BILL.

The Hon'ble SIR DENZIL IBBETSON presented the Report of the Select Committee on the Bill to provide for the regulation of the possession and

POISONS; TRANSFER OF PROPERTY.

[*Sir Denzil Ibbetson; Dr. Asutosh Mukhopadhyaya.* [8TH JANUARY, 1904.]

sale of all poisons in certain local areas, and the importation, possession and sale of white arsenic generally. He said that he had no remarks to offer at the present stage of the Bill.

TRANSFER OF PROPERTY (AMENDMENT) BILL.

The Hon'ble SIR DENZIL IBBETSON moved that the Bill further to amend the Transfer of Property Act, 1882, be referred to a Select Committee consisting of the Hon'ble Mr. Raleigh, the Hon'ble Rai Sri Ram Bahadur, the Hon'ble Mr. Adamson, the Hon'ble Dr. Asutosh Mukhopadhyaya and the mover.

The Hon'ble DR. ASUTOSH MUKHOPADHYAYA said:—"My Lord, I trust I may be permitted to offer a few observations upon the Bill which is now before the Council, for there can be no reasonable doubt as to its importance or far-reaching consequences, though it has not attracted much public attention, possibly because it has not been regarded as legislation of a sensational character.

"The principle which lies at the foundation of the Bill involves a recognition of the doctrine that transfers of interests in land should be effected, as far as possible, by means of written and registered instruments. If we examine the history of legislation in this country we shall find that the doctrine in question had always been steadily recognised, even before the Transfer of Property Act was passed. I am entirely in favour of the principle which underlies the Bill, but I cannot conceal my regret that the Bill does not go far enough in two directions, at any rate so far as mortgages are concerned. Under the Transfer of Property Act, as it now stands, a mortgage can be effected only by a registered instrument if the principal secured is one hundred rupees or upwards; if the principal amount is less than one hundred rupees, registration is entirely optional, and if the mortgage is other than a simple mortgage the law goes further, and provides that no document of any kind is necessary, and the mortgage may be effected by delivery of the property. In the Bill which is now before us, it is proposed that, where the principal money is less than one hundred rupees, a mortgage may be effected by a registered instrument or, except in the case of a simple mortgage, by delivery of the property. To put the matter in another way, the only change which it is proposed to introduce into the law is that, whenever a mortgage is created by a written instrument, it must also be registered, but it is left open to people to create a mortgage, other than a simple mortgage, by mere delivery of the property and without any written instrument.

[8TH JANUARY, 1904.] [*Dr. Asutosh Mukhopadhyaya.*]

To my mind this does not appear to be either satisfactory or defensible in principle. I venture to think that if we determine whether a particular mortgage transaction can be effected only by a registered instrument, with reference solely to the amount of the principal money secured, we may be rightly charged with taking a narrow and restricted view of things. The position will be made absolutely clear by means of a concrete illustration: A borrows Rs. 50 from B, whom he places in possession of the property, and agrees to pay compound interest at 3 per cent. per month with quarterly rests; if he seeks to redeem the security, say, at the end of ten years, he has to pay to B Rs. 1,570 less the profits received by B during his occupation; such a mortgage as this may, if the Bill is passed as it stands, be effected without any document embodying the terms of the contract; if, however, A borrowed Rs. 340 from B and agreed to pay simple interest at 3 per cent. per month, the law says that the terms of the transaction must be embodied in a registered instrument, although the amount upon payment of which the security can be redeemed at the end of ten years is practically the same as in the case of the previous illustration. In other words, the amount of the principal money secured by a mortgage, which is taken as the sole determining factor, may, and often does, prove to be the least important element in calculating the extent of the liability created by the transaction.

"I therefore venture to point out that the distinction drawn is not well founded in principle, nor do I think is it satisfactory in its working. I take it, the object of all legislation is to minimise the possibility of speculative and mischievous litigation; there can hardly be room for any reasonable doubt that, if registration is made compulsory in the case of all mortgages, whatever be the amount secured, and whether accompanied by delivery of possession or not, a great deal of unnecessary litigation would be rendered impossible; as soon as the document is proved and the payment of the consideration established, the terms of the contract would be ascertained beyond the possibility of a doubt, and there would be left little scope for the manufacture and application of perjured evidence. Moreover, an exact description of the terms of agreement between the parties, when they are embodied in a registered instrument, is not only beneficial to the mortgagor and mortgagee, but is of the utmost importance to strangers who may have occasion to deal with the property or may acquire any interest therein. The only objection which may, with any plausibility, be urged against the compulsory registration of all mortgages, is that such a provision may, in practice, cause hardship to poor and ignorant borrowers; but I venture to observe that these are precisely the people who

TRANSFER OF PROPERTY.

[*Dr. Asutosh Mukhopadhyaya*; *Sir Denzil Ibbetson*.] [8TH JANUARY, 1904.]

stand most in need of protection. They may find it cheap in the beginning to be relieved from the payment of the stamp duty and the registration fee, but in the end they may discover, when too late, that the advantage they have gained is of an unsubstantial character, and that the uncertainties of oral evidence and the costs of speculative litigation have proved ruinous to them.

"I would therefore submit that registration may, with advantage, be made compulsory in the case of all mortgages.

"The second point to which I desire to invite attention relates to what I may describe as legislation by notification. The Bill authorises the Local Government, by previous notification in the official Gazette, to direct that all or any mortgages, made within the territories under its administration or any part thereof, shall be effected only by registered instruments. This principle of legislation by notification is already, to some extent, recognised in the Transfer of Property Act, but I am unable to advocate its further extension. I am fortified in my views by the opinion of Mr. Justice Benson, of the High Court of Madras, who has pointed out that the provisions of this branch of the law should be simple, widely known, easily ascertainable and little liable to alteration—conditions which can hardly be realised if we have recourse to legislation by notification. Indeed, if I may say so without impropriety, recourse to this process is an admission of ignorance on our part; it is in reality an attempt to throw upon the Local Government the responsibility which rightly attaches to us. If, at the present moment, we are not in possession of the necessary information, by all means let the materials requisite for our guidance be collected. If, at any future time, upon further enquiry and fuller materials, the law has to be changed as to the local extent of its application, let it be done after the fullest public discussion of the proposed changes in this Council.

"I am therefore unable to accept a further extension of the doctrine of legislation by notification."

The Hon'ble SIR DENZIL IBBETSON said:—"My Lord, I believe, although it is really a matter for lawyers rather than for Executive officers, that there is a good deal that is capable of improvement and amendment in the law of registration in India as contained in the Registration Act and in the Transfer of Property Act. But the Bill that is before us now is a Bill in which we are dealing with one specific point. That point alone has been referred to Local Governments and to the Secretary of State, and it was our desire to effect

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*TRANSFER OF PROPERTY; INDIAN UNIVERSITIES; CEN-
TRAL PROVINCES CIVIL COURTS.*

[8TH JANUARY, 1904.] [*Sir Denzil Ibbetson; Mr. Raleigh; Sir Arundel Arundel.*]

the particular change that we had in view with 'as little alteration in the existing law as possible. That is to say, we wished to remove the possibility of a registered document taking precedence of a previous unregistered document, but not to alter any other provisions of the substantive law. Of course, as the Hon'ble Member has just pointed out, a money criterion such as the present law provides is open to objections, but any hard and fast line that is drawn must be open to objections, and the only way to avoid them is to abolish all distinctions.

"But I am not quite sure that the Hon'ble Member is really quite in order in discussing this point at this present stage. He entirely approves of the principle on which the Bill is founded. He wishes even to carry it further, but the point on which he wishes to carry it further is a question of detail. He himself is on the Select Committee, and will therefore have the fullest opportunity of expressing his views, which I am quite sure will have the most careful consideration from the Committee."

The motion was put and agreed to.

INDIAN UNIVERSITIES BILL.

The Hon'ble MR. RALEIGH moved that the Hon'ble Dr. Asutosh Mukhopadhyaya be added to the Select Committee on the Bill to amend the law relating to the Universities of British India.

The motion was put and agreed to.

CENTRAL PROVINCES CIVIL COURTS BILL.

The Hon'ble SIR ARUNDEL ARUNDEL presented the Report of the Select Committee on the Bill to consolidate and amend the law relating to Civil Courts in the Central Provinces. He said :—"My Lord, in presenting the Report of the Select Committee on the Bill to consolidate the law relating to Civil Courts in the Central Provinces, I may say that we have had the advantage of consulting the Chief Commissioner on the principal modifications made in the Bill, and of obtaining his approval thereto. As explained in paragraph 2 of the Report, the Bill now makes it clear that the Additional Judicial Commissioner will possess jurisdiction in criminal cases, and the Court of the Judicial Commissioner will be the highest Court of criminal appeal and revision as well as

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[*Sir Arundel Arundel.*]

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the highest Civil Court of appeal. The other alterations are of a minor character but add to the efficiency of the legal provisions.

"I trust that the Council may be able to consent to pass the Bill at an early date."

The Council adjourned to Friday, the 22nd January, 1904.

CALCUTTA;

The 11th January, 1904. }

J. M. MACPHERSON,

*Secretary to the Government of India,**Legislative Department.*

Proceedings of the Council of the Governor General of India, assembled for the purpose of making Laws and Regulations under the provisions of the Indian Councils Acts, 1861 and 1892 (24 & 25 Vict., c. 67, and 55 & 56 Vict., c. 14).

The Council met at Government House, Calcutta, on Friday, the 22nd January, 1904.

PRESENT :

His Excellency Baron Curzon, P.C., G.M.S.I., G.M.I.E., Viceroy and Governor General of India, *presiding*.

The Hon'ble Mr. T. Raleigh, C.S.I.

The Hon'ble Sir E. F.G. Law, K.C.M.G., C.S.I.

The Hon'ble Major-General Sir E. R. Elles, K.C.B., K.C.I.E.

The Hon'ble Sir A. T. Arundel, K.C.S.I.

The Hon'ble Sir Denzil Ibbetson, K.C.S.I.

The Hon'ble Rai Sri Ram Bahadur.

The Hon'ble Mr. A. W. Cruickshank, C.S.I.

His Highness Raja Sir Surindar Bikram Prakash Bahadur, K.C.S.I., of Sirmur.

His Highness Agha Sir Sultan Muhammad Shah, Agha Khan, G.C.I.E.

The Hon'ble Mr. Gopal Krishna Gokhale, C.I.E.

The Hon'ble Mr. E. Cable.

The Hon'ble Nawab Saiyid Muhammad Sahib Bahadur.

The Hon'ble Mr. F. S. P. Lely, C.S.I.

The Hon'ble Mr. H. Adamson, C.S.I.

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The Hon'ble Mr. T. Morison.

The Hon'ble Dr. Ramkrishna Gopal Bhandarkar.

The Hon'ble Mr. J. B. Bilderbeck.

The Hon'ble Mr. D. M. Hamilton.

The Hon'ble Rai Bahadur B. K. Bose, C.I.E.

The Hon'ble Dr. Asutosh Mukhopadhyaya, D.L., F.R.A.S., F.R.S.E.

QUESTIONS AND ANSWERS.

The Hon'ble RAI SRI RAM BAHADUR asked the following questions :—

“ 1. Will the Government be pleased to state why in the scheme published in the last Calcutta Gazette Japan is not included among the foreign countries to which Indian students proceeding to acquire proficiency in the higher technical education will be granted State scholarships ?

[*Rai Sri Ram Bahadur ; Sir Denzil* [22ND JANUARY, 1904.]
Ibbetson.]

"2. Taking into consideration the importance of agriculture in this country, will the Government be pleased to state why the study of Agricultural Science has been excluded from the scope of this scheme?

"3. Does the Government contemplate making any separate arrangement, for the acquisition of Agricultural Science by Indian students in foreign countries where that branch of science has made great advancements?

"4. Will the Government be pleased to state what other branches of industry besides mining will be open for study in foreign countries to the scholarship-holders?

"5. Will the Government be pleased to state whether the scope of the scheme will be so extended as to enable other Local Governments to award similar scholarships to Indian students of their respective Provinces?"

The Hon'ble SIR DENZIL IBBETSON replied as follows:—

"The Hon'ble Member has apparently failed to realise that the notification by the Director of Public Instruction, Bengal, to which he refers does not purport to set forth the whole scheme which has been sanctioned by the Government of India, but only so much of it as affects Bengal in the immediate present. The papers on the subject will be published in tomorrow's Gazette of India, which will set forth the whole scheme, and will in large part answer the Hon'ble Member's questions.

"The Government of India doubt whether the training which it is desired to impart can be obtained as well in Japan as in a Western country. Japan is herself still learning of the West; and it is desirable that our students should obtain their knowledge at first, rather than at second hand. The language difficulty would also place obstacles in the way of students from India. I may inform the Hon'ble Member that the Government have recently deputed some of their Educational officers to study on the spot the manner in which Japan has developed instruction in Western knowledge under Eastern conditions.

"Agriculture has been excluded from the present scheme for several reasons. In the first place, the primary object of the scheme is, by encouraging and facilitating the development of arts and industries other than agriculture, more especially by the aid of indigenous capital and enterprise, to provide diversity of employment for the natives of the country, and to relieve the pressure upon

[22ND JANUARY, 1904.] [*Sir Denzil Ibbetson; Dr. Asutosh Mukhopadhyaya.*]

the land which results from their energies being almost wholly confined to agriculture. In the second place, the present scheme is far too narrow, if agriculture is to be included among its objects. Moreover, it is believed that the science of agriculture will be studied by natives of India to greater advantage in their own country than in countries where the conditions differ widely from those obtaining here. As I explained in the course of the debate upon the last Budget, it is intended to create a high-class Agricultural College at Púsa; and we do not propose to extend the present scheme so as to include agriculture, at any rate until we know what Púsa will give us.

“It will be seen from the complete papers, when published, that the scheme is not limited either to mining or to Bengal.”

The Hon'ble DR. ASUTOSH MUKHOPADHYAYA asked the following questions:—

“I. Will the Government be pleased to state whether it is a fact that, in or about the year 1892, it was proposed to make over the Chittagong Division to the Assam Administration, and the proposal was subsequently dropped? If so, will the Government be pleased to publish all the papers relating to this matter, including the correspondence, if any, that passed between the Government of India, the Governments of Bengal and Assam and the Calcutta High Court?

“II. (a) Will the Government be pleased to state whether it is a fact that, in or about the year 1896, the question of the transfer of the Chittagong Division to the Assam Administration was revived and referred by the Government of India to the then Lieutenant-Governor of Bengal and the then Chief Commissioner of Assam? If so, will the Government be pleased to direct that their reports be published or laid on the table?

“(b) Will the Government be pleased to state whether it is true that the Calcutta High Court and all the District Judges in the Chittagong Division were consulted on the subject of the proposed transfer in or about the year 1896? If so, will the Government be pleased to direct that their opinions be published or laid on the table?

“III. Will the Government be pleased to state whether it is a fact that Mr. (now Sir Henry) Cotton, when Chief Commissioner of Assam, opposed the project of transferring the Chittagong Division to the Assam Administration? If so, will the Government be pleased to direct that the opinion recorded

or the report submitted by Mr. Cotton on this matter be published or laid on the table?

“IV. Will the Government be pleased to state whether it is true that, in or about the year 1896, when the Chittagong Division was proposed to be transferred to the Assam Administration, Dacca and Mymensingh were not contemplated to be included in the scheme of transfer? If so, will the Government be pleased to state the specific reasons which have led them to change their views since 1896 and to propose their transfer in 1903?

“V. Will the Government be pleased to state whether the Government of Bengal, the Government of Assam and the Calcutta High Court were consulted before the scheme of transfer now under consideration was framed? If so, will the Government be pleased to publish the opinions submitted by them? If not, will the Government be pleased to consider the desirability of consulting the said authorities before further action is taken in the matter?

“VI. (a) Will the Government be pleased to state whether the financial effect of the proposed scheme of transfer of the Chittagong Division and of the Districts of Dacca and Mymensingh to the Assam Administration has been considered?

“(b) Will the Government be pleased to state what reduction will be effected in the expenditure annually incurred by the Government of Bengal if the scheme of transfer referred to in clause (a) be carried out?

“(c) Will the Government be pleased to state by what amount the gross annual receipts of the Government of Bengal would be reduced if the scheme of transfer referred to in clause (a) be carried out?

“(d) If the figures furnished in answer to clauses (b) and (c) show that the aforesaid scheme of transfer will result in a financial loss to the Government of Bengal, will the Government be pleased to state how it is proposed to recoup that loss?

“VII. Has the attention of the Government been drawn to a paragraph in the *Amrita Bazar Patrika* of the 14th January, 1904, in which it is stated that an alternative scheme of re-distribution of territory is under the consideration of the Government according to which, not only the Districts of Dacca and Mymensingh and the Chittagong Division are to be transferred to the Assam Administration, but also the Districts of Barisal, Faridpur, Jessore and Khoolna and the Rajshahi Division, excluding Darjiling, Jalpaiguri and Cooch Behar?

[22ND JANUARY, 1904.] *Dr. Asutosh Mukhopadhyaya ; Sir Denzil Ibbetson.*]

If no such scheme is before the Government, will the Government be pleased to contradict the statement referred to? If any alternative scheme is under the consideration of the Government, will the Government be pleased to publish the details of such scheme and the reasons therefor?

“VIII. Will the Government be pleased to state whether it is intended that the portion of the Chota Nagpur Division which is proposed to be transferred to the Central Provinces Administration should, by such transfer, be placed out of the jurisdiction of the Calcutta High Court? If so, will the Government be pleased to state the reasons?”

The Hon'ble SIR DENZIL IBBETSON replied as follows:—

“The attention of the Government of India was directed, in 1892, to territorial re-adjustments on the Eastern frontier of Bengal, in connection with the administration of the Lushai Hills. The first proposal was to transfer the Chittagong district to Assam as soon as the revision of settlement then in progress was finished, and the Assam-Bengal railway was nearing completion. The transfer of the whole Chittagong division was also considered; and during the discussion which ensued, it was proposed to transfer the districts of Dacca and Mymensingh as well. Various authorities were consulted; and in 1897 the proposal was laid aside for the time being. The Government of India do not propose to publish the opinions then recorded, which were written for their information only, and not with a view to publication.

“If the Hon'ble Member will refer to the papers which have been published on the subject, he will see that the Governments of the provinces concerned have already been consulted. Their replies have not yet been received. The Government of India do not propose for the present to consult the High Court.

“Any consideration of financial details, such as are referred to in Question VI, would be premature at the present stage. When a final decision has been arrived at, any adjustment that may be found necessary will be made in connection with the provincial settlements.

“The attention of the Government of India has only now been drawn to the article referred to in Question VII; but the proposal therein described has not been before them.

“The question whether the jurisdiction of the High Court should be continued in any portion of Chota Nagpur which it may eventually be decided to transfer to the Central Provinces has not yet been considered.”

POISONS BILL.

The Hon'ble SIR DENZIL IBBETSON moved that the Report of the Select Committee on the Bill to provide for the regulation of the possession and sale of all poisons in certain local areas, and the importation, possession and sale of white arsenic generally be taken into consideration.

The motion was put and agreed to.

The Hon'ble SIR DENZIL IBBETSON moved that the Bill as amended be passed. He said:—"My Lord, I think that, with the assistance of the opinions which we have received, we have been able to make material improvements in the Poisons Bill as introduced; though they are confined to points of detail, and in no way affect the principles of the Bill.

"There are, however, three matters upon which I would desire to say a few words before I ask the Council to pass the measure into law. It has been pointed out in many of the opinions that the exemption of "medical practitioners" and "chemists and druggists" which is contained in clause 10 is, in the absence of a definition, dangerously wide. We admit the truth of the criticism; but none of our critics have been good enough to favour us with suggestions for a definition, and we have been unable to frame one which, if it is to be more than a mere repetition of the expression in other words, would not be unjustly narrow. We have therefore left the meaning of the words to be determined by the Courts in view of the actual circumstances of each case. It has, indeed, been suggested by many that the individuals in question should be obliged to register themselves. The suggestion is one which it is quite impossible to accept in the present connection. If, at any future time, it should be thought desirable to consider the advisability of providing for the registration of those who practise the indigenous systems of medicine and surgery, it would be necessary to examine the subject separately, and with the greatest care and deliberation; and it is out of the question to introduce any such measure, as it were by a side-wind, in connection with a Bill for the control of poisons.

"The Council will notice that we have cut out altogether sub-clause 1 (*d*) of clause 10, which exempted from the provisions of the Bill the manufacturers of certain pharmaceutical and commercial preparations. In framing the sub-clause we were conscious that its enumeration was probably incomplete; and in introducing the Bill I specially drew attention to it, and invited suggestions for its enlargement. Many such suggestions have reached us, and have indeed continued to reach us,

[22ND JANUARY, 1904.] [*Sir Denzil Ibbetson.*]

almost up to the present moment. Only within the last day or two, the Hon'ble Mr. Cable addressed me with regard to a new and growing industry which has lately sprung up in Calcutta, namely the manufacture of paints, colours and disinfectants, into the composition of many of which poisons enter in large quantities. Of course, it is our object and intention to except such industries. But the suggestions which we received convinced us that it was hopeless, upon the information before us, to frame a list which should be even reasonably complete as regards either the European or the indigenous industries. Now an incomplete enumeration which is contained in a Statute is a very dangerous thing, for it excludes everything which it does not include. Moreover, it cannot be altered without an appeal to the Legislature; whereas an enumeration which is contained in a rule or notification can be altered or added to at any moment. Again, it is exceedingly improbable that, as regards the indigenous industries, any one list could be framed which would meet the needs of all parts of the country. We therefore abandoned the attempt to frame a list, and added to sub-clause (2) of clause 10 of the Bill as introduced, which empowers Local Governments to exempt substances from the operation of the law, a new sub-clause (3) which empowers them to similarly exempt persons. The two together give them absolutely complete powers of exemption; and it will be their duty, before they put the provisions of the law into force, to frame lists of exemptions with such completeness as they may find possible. I have especially noticed the point, lest those who were protected by the sub-clause as originally framed should think that by cutting it out we have left them without protection. On the contrary, we have made provision for a protection which will be at once more elastic and more complete.

"Finally, many of our critics have pointed out that so long as we do not attempt to control the possession of poisons otherwise than for sale, and so long as rural areas are excluded from the operation of the general provisions of the Bill, our object cannot be completely attained. I think that, when the provisions of the new law have been brought into active operation, it will be found that we do exercise a very considerable measure of control in those directions in which it is most needed. The two poisons which are, beyond all comparison, most commonly used for homicidal purposes in India, are opium and white arsenic—the former by suicides, and the latter by murderers. Over the sale of opium we already possess practically complete control through our Excise machinery. White arsenic, which is, owing to its physical properties, the favourite agent of the Indian poisoner, is not produced in India; and since the Bill gives us power to regulate its importation into the country, and its sale and possession for sale in all parts of the country, it gives us complete control over its

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COURTS.

[*Sir Denzil Ibbetson; Sir Edward Law; Sir* [22ND JANUARY, 1904.]
Arundel Arundel.]

distribution up to and including the final purchaser; and, what is very important, it enables us to obtain full information as to the nature and method of that distribution—information which is at present wholly non-existent, and the possession of which will very greatly facilitate further measures of regulation, should such measures at any future time seem advisable.

“At the same time, we fully recognise that the Bill, in its present shape, makes no provision for complete control over the sale of poisons throughout India. But, as I explained when introducing it, the Government of India have carefully considered the question, and have deliberately decided, for reasons which I then stated, that it is not advisable to go further for the present. The Bill is admittedly experimental. But I believe that it represents a very substantial advance in a direction in which all are agreed that action is desirable.”

The motion was put and agreed to.

LOCAL AUTHORITIES LOAN BILL.

The Hon'ble SIR EDWARD LAW moved that the Bill to make further provision regarding the borrowing powers of certain local authorities be referred to a Select Committee consisting of the Hon'ble Mr. Raleigh, His Highness the Raja of Sirmur, the Hon'ble Mr. Cable, the Hon'ble Mr. Lely, the Hon'ble Dr. Asutosh Mukhopadhyaya and the mover.

The motion was put and agreed to.

CENTRAL PROVINCES COURTS BILL.

The Hon'ble SIR ARUNDEL ARUNDEL moved that the Report of the Select Committee on the Bill to consolidate and amend the law relating to Civil Courts in the Central Provinces be taken into consideration.

The motion was put and agreed to.

The Hon'ble SIR ARUNDEL ARUNDEL moved that the Bill as amended be passed. He said:—“We have received no comments or criticisms on the Report of the Select Committee on this Bill, and I have, therefore, nothing to add to the observations I made when presenting the Report.”

The motion was put and agreed to.

The Council adjourned to Friday, the 5th February, 1904.

CALCUTTA;
The 22nd January, 1904. }

J. M. MACPHERSON,
Secretary to the Government of India,
Legislative Department.

Proceedings of the Council of the Governor General of India, assembled for the purpose of making Laws and Regulations under the provisions of the Indian Councils Acts, 1861 and 1892 (24 & 25 Vict., Cap. 67, and 55 & 56 Vict., Cap. 14).

The Council met at Government House, Calcutta, on Friday, the 5th February, 1904.

PRESENT :

His Excellency Baron Curzon, P.C., G.M.S.I., G.M.I.E., Viceroy and Governor General of India, *presiding*.

His Excellency General Viscount Kitchener of Khartoum, G.C.B., O.M., G.C.M.G., Commander-in-Chief in India.

The Hon'ble Mr. T. Raleigh, C.S.I.

The Hon'ble Sir E. F.G. Law, K.C.M.G., C.S.I.

The Hon'ble Major-General Sir E. R. Elles, K.C.B., K.C.I.E.

The Hon'ble Sir A. T. Arundel, K.C.S.I.

The Hon'ble Sir Denzil Ibbetson, K.C.S.I.

The Hon'ble Rai Sri Ram Bahadur.

The Hon'ble Mr. A. W. Cruickshank, C.S.I.

His Highness Raja Sir Surindar Bikram Prakash Bahadur, K.C.S.I., of Sirmur.

His Highness Agha Sir Sultan Muhammad Shah, Agha Khan, G.C.I.E.

The Hon'ble Mr. Gopal Krishna Gokhale, C.I.E.

The Hon'ble Mr. E. Cable.

The Hon'ble Nawab Saiyid Muhammad Sahib Bahadur.

The Hon'ble Mr. F. S. P. Lely, C.S.I.

The Hon'ble Mr. H. Adamson, C.S.I.

The Hon'ble Mr. A. Pedler, C.I.E., F.R.S.

The Hon'ble Mr. T. Morison.

The Hon'ble Dr. Ramkrishna Gopal Bhandarkar.

The Hon'ble Mr. J. B. Bilderbeck.

The Hon'ble Mr. D. M. Hamilton.

The Hon'ble Rai Bahadur B. K. Bose, C.I.E.

The Hon'ble Dr. Asutosh Mukhopadhyaya, D.L., F.R.A.S., F.R.S.E.

QUESTIONS AND ANSWERS.

His Highness THE AGHA KHAN asked:—

“ I.—Will the Government be pleased to state the total number of troops other than Imperial Service Troops maintained by all the Native States of India combined ?

[*His Highness the Agha Khan ; Major-General Sir* [5TH FEBRUARY, 1904.]
Edmond Elles.]

" II.—Will the Government be pleased to name the Native States that employ above 400 ordinary troops, and yet do not possess any Imperial Service Troops ?

" III.—Will the Government be pleased to state whether there are any British Indian subjects serving as officers in the Imperial Service Troops, and, if so, by whom have they been appointed, and what qualifications ought a person to possess before being so appointed ? "

" IV.—Will the Government be pleased to state whether the guns of the Royal Artillery Batteries stationed in India are of the same calibre and utility as the guns given to the batteries stationed in the United Kingdom, and, if not so, what type are they, and in what essential points do they differ ? "

The Hon'ble MAJOR-GENERAL SIR EDMOND ELLES replied :—

" I.—According to the latest returns available, which are those for the year 1901, the total number of troops other than Imperial Service Troops maintained by all the Native States in India is 92,357.

" II.—The States that do not maintain Imperial Service Troops, but have local military forces of over 400 men, are the following :—

In Rajputana—Mewar, Tonk, Dholpur, Kota, Jhalawar, Karauli and Khetri,

In Central India—Rewa, Orchha, Datia, Panna, Samthar and Ajaigarh,

In Bombay—Baroda, Kolhapur, Cutch, Idar, Gondal and Palanpur,

In Baluchistan—Kalat and

In Madras—Travancore.

" III.—One of the main principles of the Imperial Service movement is that the different corps shall be composed only of subjects of the States to which they belong.

" In the ordinary course there would thus be no British Indian subjects serving as officers in Imperial Service Troops. In the majority of instances, however, the nucleus of the existing bodies of Imperial Service Troops was provided by the ordinary troops of the States, in which many British Indian subjects (often retired native officers of the Indian Army) have from time to time been employed.

" There are thus a few such persons serving in the Imperial Service Troops,

[5TH FEBRUARY, 1904.] [*Major-General Sir Edmond Elles ; Mr. Cable ; Sir Denzil Ibbetson ; Rai Sri Ram Bahadur.*]

but they are being gradually eliminated. In 1903 the actual number was only 13.

“ Appointments of officers in the Imperial Service Troops are made by the Native Chiefs themselves, who, in making their selections, generally consult the British Inspecting Officers.

“ Owing to the varying conditions of different States, no definition can be given of the qualifications necessary for such appointments, but, generally speaking, the officers are either Sirdars of the States or are promoted for merit from the lower ranks of their own corps.

“ IV.—The Royal Horse and Field Artillery are ordinarily armed with similar guns in all parts of the world, although it occasionally happens, at times when re-armament is in progress, that there is a temporary diversity of pattern. At the present moment, as a result of the war in South Africa, new patterns of field guns have just been adopted for use by Horse and Field Artillery, the re-armament will commence next year, and some time must necessarily elapse before all batteries, both at home and abroad, are equipped with the new armament.”

The Hon'ble MR. CABLE asked :—

“ Will the Government be pleased to say what is the reason for which they have refrained from consulting the High Court regarding the territorial reconstitution of Bengal ? ”

The Hon'ble SIR DENZIL IBBETSON replied :—

“ As it is not proposed to alter the limits of the High Court's jurisdiction, it does not seem to the Government of India necessary to consult the Hon'ble Judges at the present stage.”

The Hon'ble RAI SRI RAM BAHADUR asked :—

“ Will the Government be pleased to publish the Report of the Commission appointed under the presidency of Sir Lawrence Jenkins to enquire into the Malkowal plague inoculation mishap, as its non-publication has caused misgivings in the minds of many people respecting the utility of inoculation, and has thus prevented them from availing themselves of this prophylactic against plague ? ”

The Hon'ble SIR DENZIL IBBETSON replied :—

“ The Report of the Malkowal Commission is still under the consideration of His Majesty's Secretary of State for India, with whom the decision as to publication rests.

[*Mr. Lely ; Sir Denzil Ibbetson.*] [5TH FEBRUARY, 1904.]

"As regards the misgivings to which the Hon'ble Member alludes, I may say that the prophylactic fluid prepared by the process which was in general use before the cold weather of 1902-1903, and which is still supplied by the Parel Laboratory, was subjected to searching enquiry by the Plague Commission of 1898, who pronounced its employment to be free from danger; and that it has been used on a large scale in various parts of India during the past six years without producing injurious effects. There is nothing in the Report of the Malkowal Commission to cast doubt upon this conclusion, or upon the utility of inoculation."

The Hon'ble MR. LELY asked :—

"Has the attention of the Government of India been drawn to a leader which appeared in the *Englishman* of Wednesday, the 3rd instant, upon the subject of the reply made by Government to a recent memorial from the Bengal Chamber of Commerce?

"In that leader the following passage occurs :—

But an admission in Sir D. Ibbetson's apology for the Home Department last year, to the effect that telegrams had passed between the Department and the Chief Commissioner of Assam, while the question of subjecting Mr. Bain to a second trial was pending, on a point which was not discussed, and could only in such an offensive explanation have been concealed because its disclosure would not strengthen the Government case, amounted, and justifiably amounted, in public estimation to corroborative evidence of their belief. The belief being that, besides the brief official correspondence which was all that was needed to set the law in motion in a particular case, telegraphic messages had passed, which would weight the scale on one side of a pending question, what was better proof, what more proof could be obtained in the circumstances, that such communication had actually passed, than an accidental confession on high authority that it had?

"Will Government be pleased to state the nature of the telegraphic correspondence thus referred to?"

The Hon'ble SIR DENZIL IBBETSON replied :—

"The telegrams to which the Hon'ble Member refers were as follows :—

From Government of India to Chief Commissioner.—Your letter 20th ultimo. Please wire whether Bain claimed to be tried as European British subject.

From Chief Commissioner to Government of India.—Your telegram No. 2233, fourth. Bain claimed to be tried as European British subject.

"The information was required in connection with a technical point of law which had been raised during the consideration of the case.

"I alluded to the telegrams in question in my statement in Council, partly because the necessity for the inquiry contributed to the delay which had been made a subject of adverse comment, and partly in order that I might be able to state—as I did state emphatically—that 'no instructions, official or unofficial, were issued, and no steps were taken by the Government of India, other than those which have been mentioned in this statement.'

"In alluding to these telegrams, I used the following words:—'A doubtful point of fact was cleared up by a telegraphic reference to Assam.' Had the telegrams been of such a nature as is suggested in the passage which the Hon'ble Member has quoted in his question, my description of them would have amounted to a misstatement of fact."

INDIAN OFFICIAL SECRETS (AMENDMENT) BILL.

The Hon'ble SIR ARUNDEL ARUNDEL presented the Report of the Select Committee on the Bill to amend the Indian Official Secrets Act, 1889. He said:—"My Lord, I beg leave to offer a few explanatory observations in presenting the Report of the Select Committee on the Official Secrets Bill.

"On the 4th December, I said, with reference to the speeches of the Hon'ble Nawab Saiyid Muhammad and the Hon'ble Mr. Gokhale on the motion to refer the Bill to a Select Committee, that the numerous criticisms which had been received would be carefully considered by the Select Committee, and that I hoped important objections would be met and even that a general approbation of the Bill would not be wanting. And on the 18th December, on my motion to add the Hon'ble Nawab Saiyid Muhammad to the Select Committee, Your Lordship concluded your speech by saying you believed that when the Select Committee met, they would find that their labours were neither so severe nor so contentious as had been supposed, and that a satisfactory measure could be placed on the Statute-book, which need not strike terror into the heart of a single innocent person, but which would give to the confidential secrets of the State the protection which no reasonable man would willingly deny to them. The first of Your Lordship's anticipations has been fulfilled in the Report I have now to present; the fulfilment of the second is, I venture to hope, not far distant.

"A perusal of the amendments which have been introduced into the Bill by the Select Committee will show that the objections on which so much stress

[*Sir Arundel Arundel.*] [5TH FEBRUARY, 1904.]

was laid, both in this Council and by the public press, have been substantially met and removed.

“The objections as summarized by the Hon’ble Mr. Gokhale in this Council were three.

“First, that civil affairs were placed on a level with naval and military, and that even if they were brought within the purview of the Bill, to which however he objected, there was no distinction between matters of smaller and greater importance.

“This first objection has been removed by a definition of civil affairs which limits them as regards this Bill to matters of major importance.

‘Civil affairs’ means affairs—

(a) affecting the relations of His Majesty’s Government or of the Governor General in Council with any foreign State or

(b) affecting the relations of the Governor General in Council with any Native State in India, or relating to the public debt or the fiscal arrangements of the Government of India or any other matters of State, where these affairs are of such a confidential nature that the public interest would suffer by their disclosure.

“This definition of course governs all references to civil affairs throughout the Bill, and as far as sub-clause (b) is concerned, it would be necessary to prove to the satisfaction of the Court that the affairs mentioned were of such a confidential nature that the public interest would suffer by their disclosure.

“The second objection was that whereas the Act provided that a person who enters an office *for the purpose of wrongfully obtaining information*, is liable to punishment, the Bill provided that whoever without lawful authority (the proof whereof shall be upon him) enters a Government office, in which he is not entitled to be, commits an offence.

“This objection, which I admit to be valid, has been met, first by removing the word ‘office’ from section 3 (1) (a) (i) of the Act and relegating it to clause (ii); so that the entering or being in an office without lawful authority or permission is no longer an offence; secondly, by restoring to the section the words ‘for the purpose of wrongfully obtaining information’. At the same time to meet the difficulty of proving wrongful intention, the Bill provides that

[5TH FEBRUARY, 1904.] [*Sir Arundel Arundel.*]

where a person commits an act specified in sub-head (a), of sub-section (1), without lawful authority or permission (the proof of which authority or permission shall be upon him), the Court may presume that he has committed such act for the purpose of wrongfully obtaining information.

“The third objection to the Bill was that it proposed to make all offences under the Act cognizable and non-bailable.

“This objection, the validity of which I recognize, has been met by making all offences with regard to civil affairs non-cognizable and bailable.

“In addition to this, while leaving all offences with regard to naval and military matters cognizable, we have limited the right of arrest in respect of them to public servants, and we have made them all bailable. We have also limited jurisdiction in such cases to Courts of Session, and to Magistrates of the first class who, of course, also possess authority to discharge an accused person if there is no *prima facie* case against him. The Naval or Military Officer Commanding also possesses power to discharge an accused person brought before him.

“Lastly, no Magistrate or Court can proceed to the trial of any person for any offence under the Act, whether naval, military or civil, except with the consent of the Local Government or the Governor General in Council.

“The Hon’ble Messrs. Gokhale, Nawab Saiyid Muhammad and Bose have signed the Report subject to dissent on two points, one of which was not alluded to by them in this Council on the former occasion, and both of which will generally be admitted to be of less importance.

“The Hon’ble gentlemen consider in the first place that the words ‘or any other matters of State’ should come out of sub-head (b) of the definition of ‘civil affairs’. They admit that the deletion of these words might in certain exceptional cases cause administrative inconvenience. But it is urged that their retention will confer too wide a power on the Government in so far as it will enable the Government to set the law in motion in regard to the unauthorized publication of any ‘civil’ information which they may desire to keep from the public.

“Now, I beg leave emphatically to traverse this inference of the Hon’ble Members. Government will *not* have power to set the law in motion in regard to the unauthorized publication of *any* ‘civil’ information, which they may

[*Sir Arundel Arundel.*] [5TH FEBRUARY, 1904.]

desire to keep from the public. The law could only be set in motion if the information related to matters of State of such a confidential nature that the public interests would suffer by their disclosure, and this would have to be proved to the satisfaction of the Court.

"The second point of dissent urges that as regards Native States the disclosure in a newspaper of information regarding them should not be an offence unless the information was wrongfully obtained. 'A Native State may on occasion find it necessary to supply information to some influential newspaper for the purpose of putting its case more effectively before the Government, and the publication of information so supplied should not be made penal'.

"I am not at all sure that Native States will be grateful for this championship. It would mean that the Editor of a newspaper might publish any information, however detrimental to the interests of a Native State, or to the dignity of its ruler, or to the character of its employés, provided only that the information had not been 'wrongfully' obtained.

"Surely this proposed modification of the Bill would be a doubtful kindness to those for whose comfort it is suggested. On the other hand, if newspaper report is to be trusted, opposition has been expressed to this Bill by some of the inhabitants of a certain Native State on the ground that the Durbar would adopt its provisions for the protection of the interests of the Native State itself. I differ altogether from the view taken by my Hon'ble dissentient friends. Editors of newspapers cannot escape the natural, and indeed inevitable, responsibilities of their profession. It is surely not only reasonable, but would be indefensible, that they should be conceded a latitude in their disclosures about the confidential affairs of Native States that is neither claimed nor granted in respect of any other confidential affairs.

"The Bill as now amended gives the Editor the amplest protection. He cannot be convicted of an offence under section 3 (3) of the Act, unless (1) the information he communicates regarding the Native State is a matter of State of such a confidential nature that the public interest would suffer by its disclosure, (2) he must wilfully communicate the information, and (3) he must know that in the interests of the State he ought not to communicate it *at that time*. All these three conditions would have to be proved to the satisfaction of the Court in case of a prosecution.

"I do not think any further protection for the Editor could reasonably be asked for, but it is conceivable that a Native State might think that the protec-

*INDIAN OFFICIAL SECRETS; LOCAL AUTHORITIES LOAN; 23
CO-OPERATIVE CREDIT SOCIETIES; NORTH-WEST
BORDER MILITARY POLICE.*

[5TH FEBRUARY, 1904.] [*Sir Arundel Arundel; Sir Edward Law;
Sir Denzil Ibbetson; Major-General
Sir Edmond Elles.*]

tion of its interests from undesirable publicity might have been better safeguarded. The wording, however, is that of our Act and of the Act of Parliament as regards naval and military affairs, and no alteration in it seems necessary.

"I trust that this brief explanation will satisfy Hon'ble Members of this Council that the labours of the Select Committee have been successful in removing from the Bill the main objections that have been urged against it, and that it now contains nothing that the Government, in the interests of the State, may not legitimately demand. All these matters will no doubt be discussed when the Report is taken into consideration at a later date."

LOCAL AUTHORITIES LOAN BILL.

The Hon'ble SIR EDWARD LAW presented the Report of the Select Committee on the Bill to make further provision regarding the borrowing powers of certain local authorities.

CO-OPERATIVE CREDIT SOCIETIES BILL.

The Hon'ble SIR DENZIL IBBETSON moved that the Hon'ble Mr. Hamilton be added to the Select Committee on the Bill to provide for the constitution and control of Co-operative Credit Societies. He said:—"Hon'ble Members will have seen the Hon'ble Mr. Hamilton's letter which is printed as Paper No. 15 to the Co-operative Credit Societies Bill, in which he makes a most generous offer to advance Rs. 20,000 to finance experimental societies under certain conditions. I do not know that we shall be able to accept his suggestions exactly in the shape in which they stand at present; but I hope that we shall be able to give him substantially what he asks for, and in any case we shall be very glad to have his assistance in the Committee in threshing out the details of the Bill."

The motion was put and agreed to.

NORTH-WEST BORDER MILITARY POLICE BILL.

The Hon'ble MAJOR-GENERAL SIR EDMOND ELLES moved for leave to introduce a Bill to provide for the Regulation of the Border Military Police Force in the North-West Frontier Province. He said:—"Now that the Military Police maintained on the North-West Frontier have become a considerable

[Major-General Sir Edmond Elles.] [5TH FEBRUARY, 1904.]

force, the want of any code to govern the members and of any legal authority for enforcing discipline among them has made itself felt and been brought to the notice of the Government. The object of the present Bill is to remove these defects. The measure, which in the main follows the provisions of the Bengal Military Police Act, 1892 (V of 1892), has been drawn so as to apply in the first instance only to the Border Military Police ; but it is proposed—see clause 18—to reserve power for the Local Government, with the previous sanction of the Governor General in Council, to extend it by notification to the Border Militia or to any persons for the time being enrolled for similar service on the external frontier of British India.”

The motion was put and agreed to.

The Hon'ble MAJOR-GENERAL SIR EDMOND ELLES introduced the Bill.

The Hon'ble MAJOR-GENERAL SIR EDMOND ELLES moved that the Bill, together with the Statement of Objects and Reasons relating thereto, be published in the Gazette of India in English.

The motion was put and agreed to.

The Council adjourned to Friday, the 19th February, 1904.

CALCUTTA;
The 6th February, 1904. }

J. M. MACPHERSON,
Secretary to the Government of India,
Legislative Department.

Proceedings of the Council of the Governor General of India, assembled for the purpose of making Laws and Regulations under the provisions of the Indian Councils Acts, 1861 and 1892 (24 & 25 Vict., Cap. 67, and 55 & 56 Vict., Cap. 14).

The Council met at Government House, Calcutta, on Friday, the 19th February, 1904.

PRESENT :

The Hon'ble Mr. T. Raleigh, C.S.I., *presiding*.

The Hon'ble Sir E. F.G. Law, K.C.M.G., C.S.I.

The Hon'ble Major-General Sir E. R. Elles, K.C.B., K.C.I.E.

The Hon'ble Sir A. T. Arundel, K.C.S.I.

The Hon'ble Sir Denzil Ibbetson, K.C.S.I.

The Hon'ble Rai Sri Ram Bahadur.

The Hon'ble Mr. A. W. Cruickshank, C.S.I.

His Highness Raja Sir Surindar Bikram Prakash Bahadur, K.C.S.I., of Sirmur.

The Hon'ble Mr. Gopal Krishna Gokhale, C.I.E.

The Hon'ble Mr. E. Cable.

The Hon'ble Nawab Saiyid Muhammad Sahib Bahadur.

The Hon'ble Mr. F. S. P. Lely, C.S.I.

The Hon'ble Mr. H. Adamson, C.S.I.

The Hon'ble Mr. A. Pedler, C.I.E., F.R.S.

The Hon'ble Mr. T. Morison.

The Hon'ble Dr. Ramkrishna Gopal Bhandarkar.

The Hon'ble Mr. J. B. Bilderbeck.

The Hon'ble Mr. D. M. Hamilton.

The Hon'ble Rai Bahadur B. K. Bose, C.I.E.

QUESTION AND ANSWER.

The Hon'ble RAI BAHADUR B. K. BOSE, in the absence of the Hon'ble DR. ASUTOSH MUKHOPADHYAYA, asked :—

“Will the Government be pleased to state why the Report of the Police Commission has not yet been published, whether it is intended to publish it, and if so when?”

The Hon'ble SIR DENZIL IBBETSON replied :—

“The publication of the Report of the Police Commission is deferred, under the orders of the Secretary of State for India, until the consideration of the issues involved is further advanced. The date of publication will depend upon his orders.”

[*Sir Denzil Ibbetson; Sir Edward Law; Mr. Raleigh.*] [19TH FEBRUARY, 1904.]

ANCIENT MONUMENTS PRESERVATION BILL.

The Hon'ble SIR DENZIL IBBETSON said :—" His Highness the Agha Khan has unfortunately been obliged to leave Calcutta for a while, and as we propose to proceed at once with the Ancient Monuments Bill, his services will not be available on the Select Committee. I therefore move that the Hon'ble Nawab Saiyid Muhammad be added to the Select Committee on the Bill to provide for the preservation of Ancient Monuments and of objects of archæological, historical or artistic interest."

The motion was put and agreed to.

LOCAL AUTHORITIES LOAN BILL.

The Hon'ble SIR EDWARD LAW moved that the Report of the Select Committee on the Bill to make further provision regarding the borrowing powers of certain local authorities be taken into consideration.

The motion was put and agreed to.

The Hon'ble SIR EDWARD LAW moved that the Bill, as amended, be passed.

The motion was put and agreed to.

INDIAN UNIVERSITIES BILL.

The Hon'ble MR. RALEIGH presented the Report of the Select Committee on the Bill to amend the law relating to the Universities of British India. He said :—" It is desirable to allow time for the expression of public opinion on the Bill as reported. This day four weeks, or possibly on some later day, I propose to move that the Report be taken into consideration by the Council."

The Council adjourned to Friday, the 4th March, 1904.

CALCUTTA;	}	J. M. MACPHERSON,
<i>The 19th February, 1904.</i>		<i>Secretary to the Government of India,</i> <i>Legislative Department.</i>

Proceedings of the Council of the Governor General of India, assembled for the purpose of making Laws and Regulations under the provisions of the Indian Councils Acts, 1861 and 1892 (24 & 25 Vict., Cap. 67, and 55 & 56 Vict., Cap. 14).

The Council met at Government House, Calcutta, on Friday, the 4th March, 1904.

PRESENT :

His Excellency Baron Curzon, P.C., G.M.S.I., G.M.I.E., Viceroy and Governor General of India, *presiding*.

His Honour Sir A. H. L. Fraser, K.C.S.I., Lieutenant-Governor of Bengal.

His Excellency General Viscount Kitchener of Khartoum, G.C.B., O.M., G.C.M.G., Commander-in-Chief in India.

The Hon'ble Mr. T. Raleigh, C.S.I.

The Hon'ble Sir E. F.G. Law, K.C.M.G., C.S.I.

The Hon'ble Major-General Sir E. R. Elles, K.C.B., K.C.I.E.

The Hon'ble Sir A. T. Arundel, K.C.S.I.

The Hon'ble Sir Denzil Ibbetson, K.C.S.I.

The Hon'ble Rai Sri Ram Bahadur.

The Hon'ble Mr. A. W. Cruickshank, C.S.I.

His Highness Raja Sir Surindar Bikram Prakash Bahadur, K.C.S.I., of Sirmur.

His Highness Agha Sir Sultan Muhammad Shah, Agha Khan, G.C.I.E.

The Hon'ble Mr. Gopal Krishna Gokhale, C.I.E.

The Hon'ble Mr. E. Cable.

The Hon'ble Nawab Saiyid Muhammad Sahib Bahadur.

The Hon'ble Mr. F. S. P. Lely, C.S.I.

The Hon'ble Mr. H. Adamson, C.S.I.

The Hon'ble Mr. A. Pedler, C.I.E., F.R.S.

The Hon'ble Mr. T. Morison.

The Hon'ble Dr. Ramkrishna Gopal Bhandarkar.

The Hon'ble Mr. J. B. Bilderbeck.

The Hon'ble Mr. D. M. Hamilton.

The Hon'ble Rai Bahadur B. K. Bose, C.I.E.

The Hon'ble Dr. Asutosh Mukhopadhyaya, D.L., F.R.A.S., F.R.S.E.

TRANSFER OF PROPERTY (AMENDMENT) BILL.

The Hon'ble SIR DENZIL IBBETSON presented the Report of the Select Committee on the Bill further to amend the Transfer of Property Act, 1882.

28 *ANCIENT MONUMENTS PRESERVATION; CO-OPERATIVE
CREDIT SOCIETIES.*

[*Sir Denzil Ibbetson.*]

[4TH MARCH, 1904.]

ANCIENT MONUMENTS PRESERVATION BILL.

The Hon'ble SIR DENZIL IBBETSON presented the Report of the Select Committee on the Bill to provide for the preservation of Ancient Monuments and of objects of archæological, historical or artistic interest.

CO-OPERATIVE CREDIT SOCIETIES BILL.

The Hon'ble SIR DENZIL IBBETSON said:—"My Lord, I present the Report of the Select Committee upon the Bill to provide for the constitution and control of Co-operative Credit Societies. The more usual course in this Council is, for the Member in charge to defer his remarks upon the Report till he moves that it be taken into consideration. But in this case the Bill has excited such general interest, and is so entirely non-contentious—in the sense that, however much difference of opinion there may be as to the wisest means, we all have the same end in view—that I think it will be well if I take this opportunity of explaining briefly our reasons for the principal changes which we propose in the Bill as introduced.

"We have received a very large number of opinions, not only from the authorities who have been officially consulted, but also from independent sources; while the discussions in the Press, both English and Indian, have in many cases been most helpful and suggestive. There is one fact, however, which I think our critics have often failed to bear in mind, but which it is, in my judgment, very important to remember; and that is, that the question of agricultural banks is quite a different question from that of co-operative credit societies, and that it is the latter only with which we are now dealing. The object of agricultural banks is to provide capital to finance the agriculture of the country; their operations are of the ordinary banking nature, and on a considerable scale; and whatever special privileges it might be found possible to extend to them, the ordinary companies law of India would still continue to apply to them. The object of the societies with which we are now dealing is far more special and more limited. It is, as Sir Frederick Nicholson puts it, to substitute for a number of individual credits, which are weak because they are isolated, a combined credit which is strong because it is united. Their operations are confined within the limits of the society, and they will be 'small and simple credit societies for small and simple folk with simple needs and requiring small sums only.'

"When introducing this Bill, I commented upon the great diversity of opinion that characterised the papers which were before Government when they

[4TH MARCH, 1904.]

[*Sir Denzil Ibbetson.*]

framed their proposals. A similar diversity has shown itself in the papers with which the Committee have had to deal. There is hardly a provision of any significance in the Bill which some of our advisers do not regard as of capital importance, and others condemn as a fatal defect; and in many cases, each side has been able to give very sound and excellent reasons in support of its views. In the presence of this conflict of opinion, a decision has not always been easy to arrive at. But, in the modifications which we propose in the Bill, we have been guided by the principle which I laid down when I introduced it, that elasticity and simplicity were the great desiderata, and that the fewer restrictions we impose by law upon these societies, the better. Our alterations, therefore, have been in the direction of simplification and of freedom.

“By far the most important of these alterations is that by which we have thrown open the constitution of the societies. The Council will remember that, under the Bill as introduced, rural societies were to be limited to agriculturists—a term which I explained was not meant to include the wealthy rent-receiver—while urban societies were to consist only of men of small means. To these provisions it was objected that they excluded the very men whose aid was most important to the new societies. The provisions had been framed upon the supposition that the men of light and leading, and still more important perhaps, the men of substance, the necessity for whose aid and sympathy was fully recognised, would assist the societies from outside, since they would have nothing to gain by membership, as they would not desire to borrow. And, so far as my own personal opinion goes, I am still inclined to think that that is the position in which they will be of most use. But the body of opinion in favour of a wider basis of membership, not only in order to extend the scope of these societies as widely as possible, but also to secure that diversity of needs and interests which is desirable if their funds are to be utilised to the best advantage, is very weighty; and we have removed all restrictions upon the class of persons who may be members, save in so far as is necessary to preserve the two distinct types of rural and urban societies, the former of which will consist in the main of agriculturists, and the latter in the main of non-agriculturists.

“The other condition which was imposed by the original Bill was, that members must be residents of the same town or neighbourhood. All those of our advisers who speak with any authority have insisted upon the cardinal importance of this condition, as ensuring that mutual knowledge and confidence which must be the basis of all successful co-operation; and we have retained

it in a slightly generalised form. But it has been pointed out to us that there are communities among whose members a common organisation or common interests supply the place of propinquity of residence, and ensure the conditions which we desire. A compact and closely organised tribe or caste, a community such as is formed by the Native Christians attached to a particular mission, or even the employés on a given line of railway, are instances in point. We have therefore empowered the Registrar to dispense with the residence test, where he is satisfied that this may be safely done, if the society is to be confined to the members of a single tribe or class or caste.

“As regards new members, we have made a small alteration upon which I would say a word of explanation lest it should be misunderstood. The original Bill provided that members admitted to a society should be ‘elected by the members for the time being.’ It was pointed out to us that it would often be sufficient if they were elected by the Committee; and we have accordingly provided that they shall be ‘admitted by the society in accordance with the provisions of this Act and with the by-laws of the society.’ But the selection must still be personal, and made by the society; no person can claim admission under any automatic rule; and the important principle that the new member must be accepted by the old ones or their representatives is still maintained.

“We have retained unlimited liability as the general rule most suitable to rural societies. But cases are conceivable in which it may be desirable to relax it; if, for instance, a local magnate whose sympathy and assistance it is important to secure, desires to become a member, but does not care to assume a liability which is wholly without limit. We have therefore given the Local Government power, by special order, to relax the rule.

“The Bill as introduced forbade a rural society to borrow save with the approval of the Registrar and the Collector. This provision was much criticised as having the appearance of discouraging borrowing, whereas the very essence of these societies is to utilise their combined credit for the purpose of borrowing. We recognise the justice of the criticism; but we still think, for reasons which I have already explained, that an unfettered power to borrow might prove dangerous to a society. We have therefore removed the prohibition, but have given the Local Government power to regulate borrowing in such manner as experience may show to be desirable.

“The provisions of the original Bill regarding loans on the security of agricultural produce have been very generally misunderstood; and I must admit

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that they were not very happily worded. It was never intended for a moment to allow of advances against standing crops, than which I can imagine no form of security more unsuitable for these societies. But there are some of the existing societies, and there doubtless will be many more in the future, which never handle money, their whole transactions being conducted in grain. And the object of the provisions in question was to secure that agricultural produce should stand on precisely the same footing as money for all purposes of subscriptions, deposits, advances, payments and recoveries. Upon considering the question, we came to the conclusion that such transactions were within the ordinary powers of the societies, and that no special reference to the subject was needed.

"No provisions of the Bill have been more severely criticised by some, or more stoutly supported by others, than those which related to loans upon the security of jewellery and upon the mortgage of land. It had been proposed to prohibit rural societies from advancing money against jewels, on the ground that the basis upon which these societies should work was not material security, but the credit which arose from the individual character and substance of their members. It was pointed out in reply that, while personal credit was undoubtedly the basis of their transactions, such things as jewels might properly be received as collateral security, that the custom of the country is to regard jewellery as available for this purpose, and that if a member is debarred from utilising his material credit to the full in borrowing from his society, there will be a danger of his using it to borrow from the money-lender.

"The prohibition had not, however, been founded wholly upon objections of theory. Sir Edward Law's Committee had pointed out that there were practical difficulties which would arise, especially in the case of village societies; and we have come to the conclusion that these difficulties are real, and that it will be well to make distinctions. When a rural society is located in a town or large village, with silver-smiths available, a ready market at hand, and with members and officers of intelligence, it may safely be trusted to conduct transactions which might be dangerous in the case of a more strictly bucolic association. We have therefore given the Registrar power to allow any society which he thinks can safely be trusted, to advance money upon jewellery; and he will be able to feel his way in the matter.

"The question of mortgage was still more difficult. Almost all the considerations upon either side which I have just discussed apply here also, with

the addition of others of still greater importance. On the one hand, one of the methods in which an involved cultivator can most effectively be assisted is by enabling him to substitute a mortgage upon reasonable for one upon exorbitant terms; and a member who is refused the credit to which his property in land fairly entitles him, merely because he is not allowed to hypothecate it to the society, may be driven to the money-lender for a loan which, had it not been for the prohibition, he might have taken from the society with advantage to both parties. On the other hand, it is exceedingly inadvisable that these societies should be allowed to lock up their limited capital in a form in which it is not readily available; their most useful form of business will probably be small loans for short periods with prompt recoveries; and it is above all things desirable that they should keep out of the Law Courts. I confess that to my mind the arguments on either side are extraordinarily evenly balanced. Our final recommendation is, that loans upon mortgage should be allowed in the first instance; but that the Local Government should have power to prohibit or restrict them, either generally or in any particular case, if it is found that interference is necessary.

"Such, my Lord, are the principal alterations of substance which we propose in the Bill which I introduced at Simla. But in the course of our discussion we arrived at the conviction that it was impossible to frame any set of general provisions which should cover all conceivable forms in which the principle of co-operation might be usefully applied to the benefit of small folk in India. And we had a concrete instance before us. Paper No. 8 of the papers attached to the Bill is a letter from the Honorary Secretary to the Indian Industrial Association, which describes a wholly admirable institution called a *Dharmagola* that has been started in several villages of the Dinajpur District. The institution is one which is entirely deserving of encouragement, its objects are precisely the objects which we desire to promote, and yet it would be difficult or impossible to bring it under the provisions of the Bill. Another consideration presented itself to us. We have exercised our best judgment in coming to a decision upon the many disputed points upon which we had to decide. But we recognise that, even if our decision is in general sound, there may be special circumstances and conditions to which it is unsuited. We have therefore added a general clause to the Bill, which provides that notwithstanding anything contained in the Act, the Local Government may, by special order in each case, permit any association whatever to be registered as a society under the Act, and may exempt any society thus specially registered from any of the provisions of the Act, or may modify any of those provisions in their application to such society.

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“The position therefore stands as follows. In the body of the Bill we have included those provisions which, in our judgment, will be suitable to the type of co-operative societies that is most likely to come into existence in India, and these provisions will constitute the normal law, which will apply of its own force to these societies in general. But a Local Government will have an absolutely free hand to depart from or vary them, on condition only that it does so by special order in each case, and after full consideration of the circumstances which justify the departure. Of course it is intended that this power should be exercised, only in behalf of societies the aims of which are consonant with the objects which this Bill is intended to promote. But subject to this restriction, that freedom of experiment, upon the importance of which I dwelt when I introduced the Bill, is secured in the fullest possible measure.

“I have only to add that we have considered the advisability of making some of the provisions of this Bill applicable to the Nidhis of the Madras Presidency; and have come to the conclusion that if any special legislation in their behalf is desirable, it will best be undertaken in the local Council, where the precise conditions and needs of these societies will be completely understood.

NORTH-WEST BORDER MILITARY POLICE BILL.

The Hon'ble MAJOR-GENERAL SIR EDMOND ELLES moved that the Bill to provide for the regulation of the Border Military Police Force in the North-West Frontier Province be taken into consideration. He said:—“No objections have been received from any source to the provisions of the Bill. It is, therefore, unnecessary for me to make any further remarks.”

The motion was put and agreed to.

The Hon'ble MAJOR-GENERAL SIR EDMOND ELLES moved that the Bill be passed.

The motion was put and agreed to.

GOVERNMENT STORES BILL.

The Hon'ble MAJOR-GENERAL SIR EDMOND ELLES moved for leave to introduce a Bill to provide for the better protection of Government stores. He said:—“The object of this Bill is to provide more effectually for the prevention, detection and punishment of thefts of Government stores. The Bill reproduces,

[*Major-General Sir Edmond Elles; Sir Edward Law.*] [4TH MARCH, 1904.]

with the necessary modifications, such of the provisions of the Public Stores Act, 1875 (38 & 39 Vict., c. 25), as are adaptable to India."

The motion was put and agreed to.

The Hon'ble MAJOR-GENERAL SIR EDMOND ELLES introduced the Bill.

The Hon'ble MAJOR-GENERAL SIR EDMOND ELLES moved that the Bill, together with the Statement of Objects and Reasons relating thereto, be published in the Gazette of India in English, and in the local official Gazettes in English and in such other languages as the Local Governments think fit.

The motion was put and agreed to.

INDIAN STAMP (AMENDMENT) BILL.

The Hon'ble SIR EDWARD LAW moved for leave to introduce a Bill further to amend the Indian Stamp Act, 1899. He said:—"The attention of the Government of India has been directed to the ruling of the Calcutta High Court in the case of the *Queen Empress v. Debendra Krishna Mitter* (1900), I. L. R. 27 Cal. 587, to the effect that, unless the whole advance given under an equitable mortgage be made at the time that the instrument of hypothecation is executed, the stamp must be that of an ordinary mortgage. The decision imposes a much heavier duty on equitable mortgages than appears to have been intended; for it follows from it that the higher duty chargeable on an ordinary mortgage is leviable whenever it is sought to secure by deposit of title-deeds future advances on an existing account. Such a duty is, in view of the temporary nature of transactions of the kind indicated, excessive, and the fact that it is leviable must tend to retard the development of the system of cash credits, which has hitherto proved of great assistance to trade. It is, therefore, proposed—see clause 6 of the Bill—to amend Article No. 6 of the first schedule to the Indian Stamp Act, 1899 (II of 1899), so as to relieve these instruments from the higher duty, and to place them all on the same footing, whether their execution is or is not simultaneous with the advances secured by them; and it is at the same time suggested—see clause 3—to follow section 23, read with section 26 (2), of the English Stamp Act of 1891 (54 & 55 Vict., c. 39), and to levy a fixed fee of eight annas only when the security deposited by way of equitable mortgage is marketable.

"In the same connection notice has been called to various defects, doubts and anomalies in the law. First, no provision is at present made for the case

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[*Sir Edward Law.*]

where an equitable mortgage is executed to secure the repayment of a loan after more than one year, and the agreement in such a case is consequently liable to the duty of eight annas only under Article No. 5 of the schedule. It is proposed to amend Article No. 6 so as to impose the same stamp as that required on a document securing repayment within a year. *Secondly*, there is now no specific provision as to the duty leviable upon an instrument evidencing an equitable mortgage where the advance secured is repayable on demand, and such instruments are chargeable either with the same duty as agreements or with the duty leviable on ordinary mortgages, according as the securities are deposited before or at the time of execution. It is proposed to extend the amendment of the Article so as to treat such instruments in the same manner as instruments securing repayments after more than three months. *Thirdly*, there appears to be some doubt as to the applicability of the Article to pawns and pledges, and it is proposed to amplify it so as expressly to include such transactions, as well as hypothecations of securities. On the other hand, as misunderstanding is likely to be caused by the circumstance that the definition of 'mortgage-deed' in section 2, clause (17), of the Act covers all kinds of property, while a 'mortgage', as defined in section 58 of the Transfer of Property Act, 1882 (IV of 1882), is limited to immoveable property, it is proposed—see clause 2 of the Bill—to confine the definition here also to immoveable property, all 'mortgages' of moveable property, whether accompanied by possession or not, being, as already indicated, brought together under Article No. 6, unless otherwise specifically provided for in the schedule.

"Finally, the opportunity has been taken to amend the law in another direction. Under section 26 of the Act, where the value of the subject-matter or an instrument is unknown or indeterminate, the contracting parties may use their discretion as to the value of the stamp to be affixed to the instrument, but no sum can be recovered under it in excess of the amount covered by the duty actually paid. An exception is, however, made in the case of mining leases in which a royalty or share of the produce is reserved as rent. The value of the share or royalty is necessarily indeterminate in the majority of such cases, and it is therefore, provided that, if the lease be stamped on an assumed valuation of Rs. 20,000 a year, the sum actually due under the lease may be recovered whatever the amount may be. This provision is unsuitable in the case of mining leases granted by the Government; for the natural tendency of revenue-officers is to safeguard the interests of the Government by valuing the royalty at the figure just referred to in every case. The stamp-duty ordinarily payable on this valuation is Rs. 200; and this constitutes an unduly heavy burden in

[*Sir Edward Law; Sir Arundel Arundel; [4TH MARCH, 1904.]*
Mr. Gokhale.]

the case of small and unproductive mines. It is proposed, therefore, by clause 4 of the Bill, to expand the section so as to provide that, where a mining lease is granted by the Government, the Collector may estimate the amount of royalty which he considers likely to be payable, and it will be sufficient if the lease is stamped in accordance with his estimate.

"The further amendments proposed by clause 5 and sub-clauses (2), (3) and (4) of clause 6 of the Bill are purely consequential and require no explanation."

The motion was put and agreed to.

The Hon'ble SIR EDWARD LAW introduced the Bill.

The Hon'ble SIR EDWARD LAW moved that the Bill, together with the Statement of Objects and Reasons relating thereto, be published in the Gazette of India in English, and in the local official Gazettes in English and in such other languages as the Local Governments think fit.

The motion was put and agreed to.

INDIAN OFFICIAL SECRETS (AMENDMENT) BILL.

The Hon'ble SIR ARUNDEL ARUNDEL moved that the Report of the Select Committee on the Bill to amend the Indian Official Secrets Act, 1889, be taken into consideration. He said :—"I have no observations to make at this stage."

The Hon'ble MR. GOKHALE said :—"My Lord, I desire to say a few words on the Bill as amended by the Select Committee, before this motion is put to the vote. When the Bill was referred to the Committee in December last, my Hon'ble friend Nawab Saiyid Muhammad and myself deemed it our duty to enter an emphatic protest against the general character and the leading provisions of the proposed measure, because in the form in which it then stood, it was impossible to have any patience with the Bill. Since then, however, thanks to the assurances given by Your Lordship on your return to Calcutta, and the conciliatory attitude adopted by the Hon'ble Member in charge of the Bill in the Select Committee, the Bill has been largely altered, and I gladly recognize that several most objectionable features have either been wholly removed or have been greatly softened. Having made this acknowledgment, I deem it necessary, my Lord, to submit that unless the Bill is further amended, on the lines of the more important amendments of which notice has been given, the alterations made so

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far will fail to allay the apprehensions that have been so justly aroused. My Hon'ble friends Mr. Bose and Nawab Saiyid Muhammad and myself have signed the Report of the Select Committee, subject to dissent only on two points, and we have expressed that dissent in the mildest terms that we could possibly find to convey our meaning. We did this both to mark our sense of the conciliatory manner in which the Hon'ble Member in charge of the Bill received many of our suggestions, and in the hope that by thus removing from our dissent all trace of the angry criticisms to which the Bill has been subjected, we might make it easier for Government to proceed further in the direction of meeting the objections urged by the public. My Lord, I earnestly trust that in this hope we shall not be altogether disappointed. I do not wish to anticipate anything I may have to say when the amendments of which I have given notice come up for consideration. But I cannot let this motion be put to the vote without saying that the Bill, even as amended, is open to serious objection, that no case has been made out for it, that the safeguards, to which the Hon'ble Member referred in presenting the Report of the Select Committee, are more or less illusory, and that, unless the Bill is further amended, it must tend unduly to curtail the liberty of the Press, not so much perhaps by what Government may actually do, as by the fear of what they may do. The striking unanimity with which the entire Press of the country, Anglo-Indian as well as Indian, has condemned the measure must convince the Government that the opposition to the Bill is not of a mere partisan character, but that it is based upon reasonable grounds, which it is the duty of Government to remove. If, however, Government are not prepared to do this, I would respectfully urge even at this last moment that the Bill should be abandoned altogether."

The motion was put and agreed to.

The Hon'ble DR. ASUTOSH MUKHOPADHYAYA moved that in clause 2 of the Bill as amended, in the proposed definition of "civil affairs", after the words "means affairs" in line 1, the words "of such a confidential nature that the public interest would suffer by their disclosure and" be inserted, and that in sub-clause (b) the words "where these affairs are of such a confidential nature that the public interest would suffer by their disclosure" be omitted. He said:—"Under the definition of 'civil affairs', as it now stands in the Bill, are included all affairs affecting the relations of His Majesty's Government or of the Governor General in Council with any Foreign State, no matter whether these affairs are or are not of such a confidential nature that the public interest would suffer by their disclosure

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I have not been able to discover any good reason why such a wide scope should be given to the part of the definition contained in clause (a), while a much more restricted operation is given to the part contained in clause (b). I am unable to understand why it should be necessary to penalise the publication of information of the most innocent or harmless kind, simply because it may refer to the relations of His Majesty's Government with Foreign States. Without expressing any opinion at this stage upon the broader question, namely, whether civil affairs ought at all to be included within the scope of this Bill, I venture to think that, if they are to be included, the test in every case ought to be, whether or not their disclosure would be prejudicial to the public interest. I therefore suggest, that the qualifying words which stand at the end of clause (b) and consequently affect that clause alone, should be transferred to the beginning of the definition so as to be applicable to both the clauses (a) and (b)."

The Hon'ble SIR ARUNDEL ARUNDEL said :—"The Hon'ble Member said that he failed to discover any reason why there should be any distinction made between (a) and (b) in the definition of 'civil affairs'. As a matter of fact, this particular point had not escaped attention, and it was carefully considered. But there are two reasons against it; one is that it is not for this Council to put such a limitation upon the relations between His Majesty's Government and a Foreign State. Indeed, it is not desirable that they should in any way interfere with such relations, and if the matter is left with regard to His Majesty's Government with any Foreign State, it naturally follows that the Government of India would stand also in the same position. I think also it would be generally agreed that we ought not to contemplate bringing before the public or a Court of Justice the diplomatic relations of His Majesty's Government or of the Governor General in Council with a Foreign State. These matters are usually of a very confidential nature, and it would be opposed to international courtesy to publish them without the consent of both Governments. For these reasons I regret that I am unable to accept the amendment."

The motion was put and negatived.

The Hon'ble DR. ASUTOSH MUKHOPADHYAYA moved that in clause 2 of the Bill as amended, in the proposed definition of "civil affairs" in sub-clause (a), before the word "relations" the word "civil" be inserted. He

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said :—" This amendment may properly be described as a drafting amendment ; if we examine the definition which is proposed, we find that it is too wide, inas-much as it includes affairs affecting not merely the civil but also the military relations of His Majesty's Government. I therefore venture to propose that, by the insertion of the word 'civil' before 'relations', the definition may be limited and made co-extensive with the term to be defined."

The Hon'ble SIR ARUNDEL ARUNDEL said :—" This amendment is open to the same objection as the first one just moved by the Hon'ble Member, namely, that it limits the relations of His Majesty's Government with a Foreign State. Moreover, it would exclude political affairs and the military affairs of such States; and would therefore render the Bill useless so far as such matters are concerned. These are the reasons which lead me to object to the amendment."

The motion was put and negatived.

The Hon'ble MR. MORISON moved that in clause 2 of the Bill as amended, in the proposed definition of "civil affairs," sub-clause (b) be omitted. He said :—" My Lord, all reasonable people, I think, admit that there are certain affairs in regard to which secrecy is of such paramount importance to the State as to justify a considerable restraint upon individual liberty ; of this nature are naval and military affairs and the relations of the Government with Foreign States ; there is no doubt that in these cases the interest of the Government in preserving secrecy is identical with the interest of the general public. But there are other matters, such as those mentioned in clause (b) of the definition of 'civil affairs,' with regard to which secrecy cannot be said to be *essential* to the State, although the premature disclosure of the plans of Government may cause considerable administrative inconvenience. In respect of these matters the interests of the Government and the public are not, I submit, so unmistakeably identical as to justify the infliction of legal penalties upon the publication of news. Among affairs connected with the public debt, for instance, would certainly be included proposals for converting Government securities into a new stock bearing a lower rate of interest ; the Government has the clearest right to keep its intentions regarding such matters secret, but a certain section of the public has so undeniable an interest in being forewarned of the proposed conversion that it is not fair to penalize a premature disclosure of the intentions of Government. Similarly, in all matters relating to taxation, the interest of the public is to a certain extent in antagonism to that of Government, and it is not clear that the public interest, in its widest sense, would be served by inflicting penalties upon the editor who warned one of the parties of an approaching danger. This clause also includes affairs affecting the relations of the Government with

Native States ; but it cannot, I submit, be maintained that these relations are any longer of that major importance which attaches to affairs upon which the stability of the State depends. Imperceptibly the Indian Princes have declined from the position they once held of independent sovereignty and have now become a part of the administration by which the Empire of India is governed ; their right to exercise authority in provinces, divisions or districts, is derived, though with a different tenure, from the same authority which appoints Lieutenant-Governors, Commissioners, and Collectors ; and though it is certainly not desirable that the public should be made aware of all differences of opinion between the Supreme and the Local Authorities, yet such revelations cannot, at the most, create more than administrative inconvenience. On the other hand, the Indian public has a natural and legitimate interest in knowing whether the Government of India proposes to curtail the area which is governed by purely Indian administrators, and if, for instance, a Viceroy of the future were to be converted to Lord Dalhousie's views regarding the right of adopted children to inherit, an editor who gave early information of that fact would, I think, be doing a public service. At whichever part of the definition we look, it appears to me that the matters referred to in clause (*b*) are of the class in which the interests of the Government and of the general public are not infrequently in conflict, and I therefore submit that there is no clear case for legislating in the interest of the administration.

“ The Government have, in effect, recognised the reasonableness of this view, inasmuch as the Bill proposes to submit all disputed cases to the arbitration of the Law Courts ; but I submit that the safeguard here proposed will be ineffectual. By the provisions of this Bill, the question which the Courts will be asked to decide is whether the publication of a certain affair of State at a certain time was prejudicial to the public interest. The Courts may adopt one or other of two views ; either that the statement of an officer in the Department, deposing that the interest of the State had suffered, is sufficient evidence that the publication of the news complained of was prejudicial to the public interests ; or the Courts may refuse to convict unless the Government prove (1) that the interest of the administration has suffered by the publication, and (2) that the interest of the administration is in this case identical with that of the public. If the Courts adopt the former view, this Bill will authorize the injustice of making the Government the judge of its own case ; but if the Courts lean to the opposite view, it is doubtful whether the Government will ever secure a conviction. I do not imagine that the Government will be willing to undertake a prosecution if they have to explain, first, exactly in what manner the administration *has* been damaged by a certain publication, and, secondly, that

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the prejudice to the administration was equally prejudicial to the interests of the general public and, thirdly, that the publisher was in a position to know that the publication at this particular time would be injurious to the administration. I contend therefore that if this provision of the Bill can protect the interest of the Government it will do so at the expense of the general public, and that, if it is consistent with fair dealing to the public, it will fail to protect the interest of the Government. It is therefore either harmful or useless and in my opinion should be dropped.

“After all is said and done the plain man will hold to the opinion that the Government ought to take better care of its own secrets and not punish other people because its subordinates are not under sufficient control. Every business man, indeed every body who has to control an office, has to overcome this same difficulty, and, if news leaks out of the office which the master wishes to keep secret, the world’s unsympathetic comment is generally that he has only himself to blame. It has yet to be shown that Government work is of so peculiar a character that it cannot be controlled by ordinary business methods; and even if this could be shown, the public has still a right to ask that the Government should not legislate until it has made an honest and whole-hearted attempt at putting its offices in order. It cannot, I venture to think, be said that the Government does at present take all reasonable precautions to secure secrecy, because Government offices are open to every idler who cares to wander through them, and the multitude of chaprasis, who sit at the doorway of every Government office, do not apparently recognise that it is their duty to keep trespassers away. If chaprasis are incompetent to discharge this duty, it should be assigned to police constables, and, if police constables fail, to head-constables, and, if they fail, to Sub-Inspectors. Surely there is somewhere in the Government hierarchy a grade of public servants which can be trusted to carry out this duty with honesty and firmness, and I venture to think that the Government ought not to be satisfied until, by the employment of competent men, they have secured their offices against unauthorised intrusion; the area over which this vigilance is necessary is not, after all, very extensive, because it is only a few offices at head-quarters that have information which is at the same time confidential and of grave importance. When Government has taken every reasonable precaution to secure secrecy and those precautions have failed, then, and then only, I contend will cause have been shown for including such matters of lesser importance as are grouped under clause (b) within the operation of the Official Secrets Act.

“Briefly to recapitulate, I beg to say that (1) I welcome this measure in so

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far as it provides greater security for official secrets in regard to military, naval and foreign affairs; but I contend that the affairs mentioned in clause (b) are not of such paramount importance to the security of the State that we should be justified in inflicting legal penalties upon the premature disclosure of the intentions of the administration with regard to these affairs. (2) I believe that the provision to refer to the arbitration of the Law Courts the question, whether or not an affair is of such a confidential nature that the public interest would suffer by its disclosure, would in practice prove to be either unjust or inoperative. (3) And in any case I contend that the necessity for secrecy in regard to the affairs mentioned in this clause is not so urgent as to justify legislation until the Government have exhausted every device of departmental administration to secure stricter control over their own offices. I therefore beg to move the amendment standing in my name."

The Hon'ble SIR ARUNDEL ARUNDEL said:—"I have been interested, but I have not been convinced, by the extremely ingenious speech of the Hon'ble Mr. Morison. He contends that secrecy is not essential to the Government administration, though considerable administrative inconvenience might result, and he even proceeded to discuss the question of Native States, into the rights of administration of which I should certainly hesitate to follow him and should as certainly dissent from his dicta. But of one thing I think we may be quite certain, that is to say, that if we declared there were no matters of secrecy to the Native States, they themselves would be the first to cry out that they were most unjustly treated. The interests of the public, the Hon'ble Mr. Morison tells us, are occasionally antagonistic to those of Government; but I venture to say that this is the wrong way of looking at it. It seems to me that the State is the representative of the public, and that we cannot say their interests are antagonistic to the public interest. The Government exists in order to look after the public. And then again with regard to appealing to the arbitration of the Law Courts, it seems to me that what we are aiming at now is to point out that certain things are offences, and that if people commit these offences they will be liable to penalty as provided in the Bill. That being the case, it is for the prosecution, whenever a case is brought before a Court, to prove the offence which has been committed. I may say with regard to this question of proof that it was suggested to us that the certificate of a qualified Government officer might be enough to show or to prove that the interests of Government had suffered by the disclosure of certain facts or information. But we did not think that this was a fair method of treating the case. It put the defendant in a most difficult position, and it

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[*Sir Arundel Arundel.*]

seemed to be far fairer that we should leave it to the Court to decide, after hearing the evidence, how the interests of the public might suffer, rather than to do it by the arbitrary method of simply filing a certificate. Then the Hon'ble Member says that the Government offices are open to every idler. I am afraid that in many cases there is a good deal of truth in this, and the public very often regard public offices in much the same sense as a public market. I think this is entirely wrong, and that it should be put a stop to. But when the Hon'ble Member says that Government ought to do it by executive order, his suggestion means the objectionable multiplication of chaprasis and constables in the Government offices, and he must remember that, if we wanted to make every clerk in India absolutely free from the possibility of temptation regarding the divulgence of information, we should have probably to double or treble the salaries all the way round, and I think one of the first persons to object to that would be my Hon'ble friend Sir Edward Law. There is one other point which I should like to mention, and that is what the actual intentions of Government were when Act XV of 1889 was passed, because there seems to be a good deal of doubt as to what the facts actually were, in the Press and perhaps in this Council. There are several amendments traversing the introduction of civil affairs, and at the risk of being tedious I should like to call attention to the clearly announced intentions of Government when Act XV of 1889 was under discussion.

"The Hon'ble Mr. Scoble (10th October 1889), in introducing the Bill, said :—

'It is a mere enactment of an Act passed during the last session of Parliament to prevent the disclosure, by unauthorized persons, of official documents and information.'

"And he went on to say :—

'The offences which it is intended to reach are (1) the wrongful obtaining of information in regard to any matter of State importance, and (2) the wrongful communication of such information.'

"On the 17th October, 1889, on the motion that the Bill be taken into consideration, His Excellency the Viceroy, Lord Lansdowne, addressed the Council at some length in support of the Bill, and gave as an illustration of its necessity the garbled publication of a civil confidential document in an Indian newspaper. He concluded his speech by saying—

'I think it should be generally known that the new law is intended to be put in force in such cases, and that those who publish official documents without authority will come

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within its scope whether the persons by whom those documents have been divulged are discovered or not, and whether documents themselves are published in their entirety or, as in the present instance, reproduced in a garbled and truncated form.'

"There is thus no possible doubt as to the intentions of Government in passing Act XV of 1889. But so long ago as 1895 the legal advisers of Government differed as to whether the Act did or did not cover civil official secrets, and now in amending the Act the opportunity is taken of proposing to remove the doubt.

"But the Hon'ble Mr. Morison proposes to exclude all civil affairs except the relations of Government with a Foreign State. In short, he wishes to defeat one special object for which the Act was passed, and on which Lord Lansdowne dwelt with special emphasis in his speech on the Bill. One object of the present Bill is to make it clear that civil affairs *are* included, and, if this be conceded, it must also, I conceive, be conceded that there are other civil affairs besides the relations of Government with Foreign States that need to be protected.

"For these reasons I must oppose the amendment."

The Hon'ble DR. ASUTOSH MUKHOPADHYAYA said:—"I desire to support the amendment moved by the Hon'ble Mr. Morison and briefly for two reasons. In the first place, I submit that no foundation has been laid, no facts stated, why the character of secrecy should be imposed upon information relating to the matters mentioned in clause (b). In the second place, the test prescribed for determining whether a particular information does or does not come within the definition, is of such a vague character that if the case were carried into the Law Courts it would be extremely difficult to procure a conviction. Prosecution might be very easy, but conviction would be a remote chance indeed. With reference to what fell from the Hon'ble Sir Arundel Arundel as to what the intentions of Government were when the Act of 1889 was passed, I can only say that, whatever their intentions might have been, those intentions were not carried out by the language used in the Act. If it was the intention of the Government that civil affairs should be included within the scope of the Act of 1889, the language was inadequate; at any rate on that occasion there were no facts mentioned which would justify the Government in including civil affairs within the scope of the Act, and I am bound to point out that up to the present moment no facts have been mentioned which would justify the Government in including civil affairs within the scope of the present Bill."

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The Hon'ble MR. GOKHALE said:—"I desire to say just one word in regard to what has fallen from the Hon'ble Member in charge of the Bill. The Hon'ble Member just now told us that the Act of 1889 was passed with the object of including civil affairs within its scope. We have Sir Andrew Scoble's statement that the Act was merely a repetition of the English law passed on the same subject a year before, and in connection with the English law it was definitely stated by the Lord Chancellor in the House of Lords that the Act was intended to apply to naval and military purposes only. The English law being thus intended and the Indian law being merely a repetition of the English law, I do not see how the Indian law could have been made to cover civil cases. Another point I would like to mention is that even under the law of 1889, supposing that civil affairs were included within its scope, the only thing that was made penal was the publication of information wrongfully obtained.

"By introducing the word 'civil', however, in section 3, sub-section (2) [now sub-section (3)], the Government secures an advance upon that ; the proposed amendment penalizes the publication of all confidential information, not merely wrongfully obtained, but no matter how it was obtained. The present Bill, therefore, does not merely make clear the intention of the Act of 1889, but goes much further than that Act."

The Hon'ble RAI SRI RAM BAHADUR, said:—"I beg to support the amendment, moved by our Colleague the Hon'ble Mr. Morison, that in clause 2 of the Bill, as amended, in the proposed definition of 'civil affairs,' sub-clause (b) be omitted.

"My Lord, the Hon'ble Mover of the amendment has, in a well considered and eloquent speech, said all that could be said in favour of the motion. With Your Lordship's permission I beg to offer a few remarks in support of the amendment.

"A consideration of the circumstances which led to the genesis of the Indian Official Secrets Act of 1889 will show that the proposal to bring civil affairs within the scope of the law will involve a departure from the principles on which the English prototype of the Indian Act of 1889 is based.

[*Rai Sri Ram Bahadur.*] [4TH MARCH, 1904.]

"At the time of introducing the Official Secrets Bill in 1839, which afterwards became Act XV of the same year, the Hon'ble Mr. (now Sir) Andrew Scoble said as follows :—

'This Bill has not originated with the Government of India ; it is a mere re-enactment of an Act which was passed during the last session of Parliament to prevent the disclosure, by unauthorised persons, of official documents and information. This Act applies to all parts of Her Majesty's dominions, and is therefore already in force in India, but it has been thought desirable to place it also on the Indian Statute Book, in order to give it publicity and to bring its provisions into complete harmony with our own system of jurisprudence and administration.'

"Continuing, the then Law Member further said that the two alterations made in the Indian Bill were the doing away of the distinction between felonies and misdemeanours—terms not used in the Indian legislative enactments—and the substitution of the consent of Government for prosecutions under the Act in place of that of the Attorney-General. In all other respects, it was observed by the Hon'ble Sir Andrew Scoble that the Bill followed the language of the English Statute.

"The principal object of the passing of the English Statute, as disclosed in the course of the debate in Parliament, was to prevent the disclosure of official documents and information relating to military and naval affairs. In moving the second reading of the Bill on the 28th of March, 1889, the Attorney-General said that the Bill had been prepared under the direction of the Secretary of State for War and the First Lord of Admiralty, in order to punish the offence of obtaining information and communicating it against the interest of the State.

"The real object of the English Act was made clear in the House of Lords by the Lord Chancellor (Baron Halsbury). He said that the measure was intended for those who facilitated the military operations of other countries, by giving copies of official documents.

'It provides,' he went on to say, 'for the punishment of those persons who either give information to the enemies of the country, or make or communicate plans or sketches of fortresses or like places or disclose official secrets.'

"He then explained the meaning of official secrets in these words :—

'Another class of offences is the disclosure of official secrets: when a person who is holding or has held office under Her Majesty, or has in his possession or control any official document, should in like manner communicate with those who may become the Queen's enemies, severe penalties are enacted.'

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"It is thus quite plain that two classes of offenders were intended to be brought under the operation of the Act ; first, those who betray the interest of the State by helping the military operations of His Majesty's enemies, by supplying them with plans and sketches of fortresses and like places. The other class consists of officials only, and they are liable to severe punishment only when they disclose official documents to parties who may become the King's enemies. One can see at once that in order to bring home an offence under the English Act, it is essential that the offender should be proved to have communicated official secrets to the enemies of the Sovereign. My Lord, the above remarks will show that the scope of the English Statute, and consequently that of the Indian Act, is chiefly confined to the disclosure of official secrets relating to military and naval affairs, and the betrayal of such secrets is made penal. The definition of official secrets, proposed to be given in this Bill, if accepted by the Council, will go far to extend the scope of the original law on the subject. For these reasons I support the motion now before the Council."

The Hon'ble SIR EDWARD LAW said :—"The object of the amendment moved by my Hon'ble Colleague is to restrict the definition of 'civil affairs' to foreign affairs. He assumes apparently that whilst military, naval, and diplomatic affairs require the protection of a special law, no such protection is required in matters of civil administration. I hope to be able to convince him and any others whom a similar assumption may incline to opposition to the Bill before us, that the assumption is entirely erroneous, and all arguments based thereon must therefore necessarily fall to the ground. I am convinced that if any one of my Colleagues who are now disposed to object to the Bill were to take my place for a few months in my Department, he would quickly ask that the public should be protected from the possibility of wrongful disclosure of confidential information. I am quite unable to understand what my Hon'ble Colleague means by saying that there is a divergence between the interests of the public and the interests of the Government. Government is the representative of the public, and my Hon'ble Colleagues at this table are in the same position as Government in representing the public today. They are speaking in the interests of the public or in what they assume to be interests of the public whom they represent, and when we speak we speak in the same interests. My Hon'ble Colleague was not, I think, particularly happy in the selection of the incidents which he quoted of divergence of interests between the Government and the public. He alluded to the possibility of conversions, and he said that it would be in the interest of a certain section—these were his words—of the public that this information should be published or should get abroad. I should like to know what is the section to whose interests it would be : it could only be in the interests of that section of the public who desired to make money at the expense of the public, out of their information.

"There must always be numerous cases in which the disclosure of confidential documents indicating the grounds on which action is being considered or has been decided upon in the Finance Department, must necessarily prove seriously prejudicial to those public interests which it must be the desire of every Member of this Council to protect, and I will give some examples of the class of cases where the premature publication or disclosure to individuals of confidential documents would inevitably have a most harmful result.

"As is well known, there is constant and considerable speculation in Government Rupee Paper, and at a certain period of the year that speculation is based on what are assumed to be the intentions of Government as regards the amount of the loan which it is intended to issue at a future date, whilst, when the date of issue approaches, fresh speculation arises on the price which it is supposed that Government will accept for tenders. Such speculations lead to the manipulation of the market in a sense adverse to the interests of the general public, and it is therefore of great importance that the intentions of Government should not be disclosed.

"Again, we have, for some months past, as you are doubtless aware, been purchasing silver for coinage into rupees, and such purchases, as all business men will fully understand, must be conducted with great circumspection and as much secrecy as possible. The silver market is a very fluctuating one, the price varying in a few days by as much as 6 to 8 per cent., and it is a market so well controlled by a certain group of speculators that the knowledge that the Government of India requires to immediately purchase, say, £500,000 worth of silver, is quite sufficient to raise the price in the London market to an extent causing a loss of possibly £30,000 to £40,000 to the tax-payer, whose interests it is our duty to protect. It is impossible to take decisions on such a question without receiving and considering the reports and opinions of the officials directly concerned, and such reports and opinions must necessarily pass through the hands of a number of officials, any one of whom could profitably be offered what would be to him a small fortune for the disclosure of the intentions of Government.

"But silver is not the only thing purchased by the Finance Department; it has also to consider both the necessity of purchase and the terms on which it is prudent to buy lands, railways, and other property of considerable value; and in all such cases it is self-evident that if the sellers should be prematurely informed as to our intentions, the information acquired would be used to the detriment of the tax-payer. And what would the commercial world say

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[*Sir Edward Law.*]

if, when we received tenders from rival firms competing for a contract, the terms of the offers received were disclosed to interested parties, and we could only fold our hands and say that, even were the offender discovered, we had neglected to provide ourselves with sufficient power to secure his adequate punishment?

“The Finance Department is in all such matters in the position of the business man contemplating a transaction and preparing for a deal, and the last thing that a business man would desire is the disclosure of his hand to the parties with whom he was negotiating or proposing to negotiate. There is, however, this difference between the situation of a Government Department and that of the business man undertaking a business. The commercial man keeps his counsel to himself, carefully avoids committing his ideas and decisions to paper, and trusts no one but his partner and perhaps a special confidential clerk, whilst the heads of a Government Department are obliged, by their special responsibility to the public, to carefully record every reason for intended action, and unfortunately to cover pages of foolscap with opinions and arguments for and against any contemplated transaction, before definitely deciding to move in the matter.

“Finally, there is the question of modifications of excise-dues and of duties on articles of importation. It must surely be recognised that when Government is contemplating any reduction or enhancement of such dues or duties, it is before all things essential that no intimation of their actual intentions should get abroad until the moment of decisive action. Had it been known a year ago that Government had decided to reduce the salt-tax by 8 annas, from a certain date, the result could not have failed to be that stocks of salt in the hands of every dealer in the country would have been allowed to run down to an extent which would have led to a temporary famine in the article, and caused great inconvenience by enhancing the price to consumers. Such an important decision could not be taken without voluminous correspondence and notes, not only in the Finance Department, but also with local authorities consulted on the question, and with the Secretary of State in England. Similarly, should it be contemplated to increase the duty on any important imported article of general consumption, it is manifest that the speculator who had succeeded in an unlawful manner in obtaining information as to the plans of Government, would make large profits out of his knowledge, to the prejudice of the public.

“I could multiply instances, but I am unwilling to take up the time of Council, and I will only mention one more of the numerous cases in which the

interests of the public as represented by the Finance Department may be seriously imperilled by the communication of information. It is well known that the question of the introduction of counterfeit rupees into circulation is one which has for some time past been engaging our very serious attention. We are taking every means in our power to discover where counterfeit rupees are manufactured and by what agencies they are distributed. Now, what would be the result were it to become known to the public through the agency of enterprising journalism that the result of our enquiries had led us to believe that we had discovered an important centre of manufacture or distribution? Evidently that the criminals, being warned in time, would take measures to avoid detection, and that our endeavours to check illegal coining would be frustrated.

"I do not say that, to my certain knowledge, Government has been betrayed by the wrongful action of employés in connection with any of the questions I have indicated, but there have been suspicious circumstances, and any one who calmly considers the situation must admit that existing laws and regulations do not give us the necessary power to cope with the danger. It is highly to the credit of the official staff that, having regard to the enormous and constant temptation to secure illegal gains, and, even leaving criminal intention out of the question, to satisfy personal vanity by indiscreet communications, we have escaped any serious scandal; but I must repeat the admission that there have been occasionally distinctly suspicious circumstances, and there are gentlemen in this room, who, assuming that such suspicious circumstances necessarily indicated guilt, have severely criticised what they assumed to be a culpable laxity of control in the matter. We ask today to be put in a position to insure effective control in the only manner in which it is possible, and that is by making it clear that neither the tempted employé nor his tempter can escape the penalties of the law if his guilt be established in the eyes of the judicial authorities of the land. A suspected official can of course be punished departmentally,—we prefer that he should be pronounced innocent or guilty by the established Courts of justice,—and whilst arbitrary action is rendered impossible by the ample safeguards in the provisions of the Bill, we hope that in serious cases we may be enabled to secure, through the Courts, the punishment of the tempter as well of the tempted. I cannot believe that anyone would seriously wish to confine punishment to the tempted Government official, whilst allowing the greater culprit, the tempter, to escape scot-free, and it should be understood that without the present Bill we must remain in the position of being able to punish only the less guilty of the two parties.

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“It has been suggested that, if private banks and firms are able to control their employés, Government should be able to do the same without recourse to special legislative measures ; but I have shown that the opportunities for acquiring confidential information are necessarily infinitely greater in a Government Department than in a private office, and moreover the value of such information to interested individuals is incomparably greater, whilst cases are not unknown in which even private establishments have suffered heavy loss through breach of trust in the matter of disclosing information. It has been specially suggested to us to day that the control might be established in a more efficient manner by certain measures that were specified and which, I am astonished to find, included amongst them the placing of police-constables in the corridors of public offices. I remember that on the first occasion when this Bill was brought before Council, one of my Hon’ble Colleagues made one of his most magnificent periods by declaiming against the danger of his being summarily arrested and charged as a criminal if he ventured to endeavour to see me in my office.

“The Department over which I have the honour to preside is always desirous to take the public into its confidence as far as possible, but I trust that I have sufficiently established that there is a real necessity for the protection of public interests in the matter of wrongful disclosure of confidential information, and that it is frequently imperative that secrecy should be strictly observed for a time, and I therefore strongly urge the adoption of the Bill.

“Some of our would-be candid friends and constant critics have, I presume under the influence of serious misapprehension, allowed their imagination to run riot in dreams of fanciful processions to ice-bound dungeons, and of a Government of India suddenly being transformed by the passing of this Bill into a band of raving lunatics ; but now that certainly many, and I hope all, misapprehensions have been removed, I think that we may reasonably ask for a little calmness in the consideration of a very important business measure, and that, as the result of such calm consideration, the public spirit and patriotism of all Hon’ble Members of this Council will lead them to support a Bill which is proposed in the sole interest of the public whom they represent.”

The Hon’ble MR. RALEIGH said :—“I should like to add a few words on the questions which have been raised as to the history and true construction of the Act of Parliament passed in 1889, and of the Act which we now propose to amend. My Hon’ble Colleagues Mr. Gokhale and Rai Sri Ram Bahadur have referred to certain statements made by the present Lord Chancellor, which would be authoritative, if they were complete ; but I feel tolerably certain that the quota-

tions are made from an imperfect report. We have before us here the debates of the House of Lords, and it seems clear that Her Majesty's Government intended their Act to extend to political matters; it is equally clear from our Proceedings that Lord Lansdowne and his Council were of the same opinion. The Hon'ble Dr. Mukhopadhyaya says that, if it was intended to include civil affairs, the intention was not carried out; that our Act does not extend to them. I do not set my own opinion on the point of law against that of my Hon'ble Colleague, but when I tell him that Sir Griffith Evans advised against the view for which he has contended, Dr. Mukhopadhyaya will at least admit that the point is doubtful, and that we should be wise in taking this opportunity of clearing it up.

"I do not dwell on these preliminaries, because the question for Council is not what was done in 1889, but what ought to be done now. Is our proposal, to include civil affairs generally in the Bill, a fair and reasonable one as we contend, or is it unfair and oppressive, as the Hon'ble Mr. Morison has endeavoured to show? Mr. Morison wishes to exclude from the purview of this Bill all our correspondence with Native States, and all business connected with the civil administration. I differ from him on both points. In regard to Native States, it seems to me that my Hon'ble Colleague misconceives the situation with which we have to deal. It is incorrect to compare the Ruler of a Native State with a Lieutenant-Governor or the Commissioner of a division. He is not an officer under our orders; within his own limits, he exercises an independent authority, historical in its origin, and protected by conventions which the Government of India cannot alter at its mere will and pleasure. These conventions are not, strictly, international, but I have said enough to show that our correspondence with Native Princes possesses a diplomatic character, and that we are bound to treat them with special consideration and courtesy. If we exclude them from the purview of this Bill, we shall not be consulting their dignity or their convenience.

"I turn now to the sphere of civil administration. It is very easy to make points in debate by selecting any of the innumerable trifles which make up the routine business of a public office, and asking which of these are to be matters of State under this Bill. This argument might be in point if this Act were part of the ordinary law, which any officer of Government can set in motion. But it is in fact a special law, only to be set in motion by Government itself. I am far from supposing that Government is infallible, but I hold that Government may be trusted to decide, on its own responsibility, what matters are, and what are not, so important as to justify a prosecution under this Act. The final

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[*Mr. Raleigh; The President.*]

decision, of course, is with the Judge or Magistrate who tries the case. After the speech of my Hon'ble friend Sir Edward Law, I need not adduce any further evidence to show that in each of the great departments the public interest requires that our confidential papers should receive a reasonable measure of protection. These, I think, are the main objections to the amendment, and they are sufficient to justify the Council in rejecting it."

His Excellency THE PRESIDENT said :—"Before putting the motion to the Council, I must add a word. The excellent speeches delivered by my Hon'ble Colleagues on the right and left have dispensed me from saying much from the point of view of Government; but I desire to make one observation from the point of view of the Bill itself and of its future. If the Hon'ble Mr. Morison's motion were carried, the motion would be fatal to the Bill. He has argued that the civil affairs under sub-clause (b), to which he refers, are not of major importance, and that their protection is not essential to the interests of the State. After some slight experience now of the Government of this country, I must beg respectfully but emphatically to disagree with him, and I submit that probably we, who are Members of the Government, are better qualified to express an opinion on a matter such as this than he. The Hon'ble Sir Edward Law has given us a most convincing illustration of the class of cases connected with the Department which he administers so well, that ought to receive—that are entitled to receive—protection in any civilised State. I need not add anything to what he said upon that point. Then comes the category of questions relating to Native States. Upon this matter I have perhaps a right to speak with some authority, and I say deliberately and with a full sense of responsibility that I can conceive of nothing more unfortunate than that the relations of the Government of India, which in reality means the Viceroy, with the Native Princes of India, relations prized by both of them, and in the vast majority of cases honourable to both of them, should be made the subject of disclosure and discussion in the Press with absolute impunity. Such a condition of affairs would not merely be distasteful to us, but would be repugnant to them, and would be injurious to the interests of the State. The Hon'ble Mr. Morison submits to us an alternative suggestion. He says, instead of providing the protection which you are so anxious to secure under the Bill, exhaust every device you can for improving your Departmental administration. Well, this is sound enough advice over the limited range to which it extends, but how, I would ask, could a superior staff of chaprasis or policemen protect the Government of India from the illicit disclosure of confidential information, we will say, about the succession to a Native State, about the administration of justice inside it, or about the condition of its finances? However, the point upon which I desire to lay stress before Hon'ble Members vote is this, that if the Hon'ble

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Member's motion were carried, this Bill would be reduced to a nullity, because civil affairs would be left, it is true, but they would be confined to the relations only between the British Government or the Government of India and Foreign countries. In that case we might just as well drop the Bill altogether, because to lay down that the only civil affairs that require protection are those relating to the exceedingly exiguous class that I have described would be manifestly absurd. I therefore think that the Council may with confidence throw out the motion of the Hon'ble Member."

The motion was put and negatived.

The Hon'ble DR. ASUTOSH MUKHOPADHYAYA moved that in clause 2 of the Bill as amended, in the proposed definition of "civil affairs", in sub-clause (b), the following words be omitted, namely :—

"affecting the relations of the Governor General in Council with any Native State in India, or".

He said :—"When I drafted this amendment I carefully excluded all reference to financial questions expressly with a view to disarm all criticism from my Hon'ble friend Sir Edward Law. I was in hopes that, so limited, it might prove acceptable to the Council, but I find I was very much mistaken. I confess that it does require a certain amount of courage to put this amendment to the Council after what has fallen from Your Excellency, but I regret I am unable to fall in with the view that the publication of information regarding the civil relations between the Government of India and the Native States should be penalised in the manner proposed in the Bill. It is conceivable that such publications may sometimes prove to be a source of serious inconvenience to individual officials concerned in transactions which will not bear the light of day; but I venture to point out that it would be a distinct advantage, not only to a Native State, but also to the Government of India, that the civil relations between the two should be of such a character as would stand the closest scrutiny. Surely, if they are of the character I have described, honest criticism need not be feared. If, on the other hand, these relations are of a very different complexion, the fullest and the freest public discussion ought to be welcomed. So far as the materials have been placed before this Council, not the slightest foundation has been laid, in fact, for the position that the publication of information regarding Native States ought to be restricted. Till the necessity for the new provision is established with reasonable clearness, I am unable to accept a new provision of this sweeping character merely because it is asserted that such a provision is necessary or desirable."

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The Hon'ble SIR ARUNDEL ARUNDEL said:—"The Hon'ble Member would exclude from the definition of 'civil affairs' all matters affecting the relations of the Governor General in Council with any Native State in India, even when the limitation is laid down that the affairs are of such a confidential nature that the public interests would suffer by their disclosure. To my mind it would be a scandal if at a time when we are passing a Bill like this we did not ensure the safety of the confidential relations between Government and the Native States: but after the remarks of His Excellency and the Hon'ble Mr. Raleigh on the previous amendment I think it quite unnecessary for me to say anything more."

The motion was put and negatived.

The Hon'ble DR. ASUTOSH MUKHOPADHYAYA moved that in clause 2 of the Bill as amended, in the proposed definition of "civil affairs", in sub-clause (b), before the word "relations" the word "civil" be inserted. He said:—"If the definition is so amended it will read thus:—

'(7) "civil affairs" means affairs—

* * * * *

(b) affecting the civil relations of the Governor General in Council with any Native State in India, or relating to the public debt or the fiscal arrangements of the Government of India or any other matters of State, where these affairs are of such a confidential nature that the public interest would suffer by their disclosure.'

"The only reason that I need assign for this amendment is that civil affairs ought to mean 'civil relations' and ought not to include military relations. It seems to me that it is an improper use of language to include military matters under the term 'civil affairs'."

The Hon'ble SIR ARUNDEL ARUNDEL said:—"Unfortunately, if this word is included, the military matters would not be included among affairs relating to Native States, which would be protected by the Bill, because the military and naval matters which are protected are those relating to His Majesty's forces, and in addition to the military affairs which would be excluded, political affairs would also be put into the same category. This is the same amendment as the preceding one with a small portion of it whittled away. After what has been said on the two previous motions I think it is unnecessary for me to say more."

The motion was put and negatived.

The Hon'ble MR. GOKHALE moved that in clause 2 of the Bill as amended, in the proposed definition of "civil affairs", in sub-clause (b) the words "or any other matters of State" be omitted. He said:—

" Government are no doubt aware that these are the words to which the greatest exception has been taken both by the Press and by public associations in the country, and if this proposal to omit them is accepted, the greater part of the opposition to this measure will, I think, disappear. On the other hand, if the words are retained, they will render the attempted definition of 'civil affairs' practically valueless, by conferring on Government almost as wide and dangerous a power to interfere with the liberty of the Press as under the original Bill. My Lord, a definition is no definition unless it specifies, or at any rate indicates with some degree of definiteness, what it is that is intended to be included within its scope, so that a person of average intelligence may have no difficulty in understanding that scope. In the present case, this test fails altogether on account of the use of such vague and all-embracing words as 'any other matters of State' in this attempted definition. I see that the Hon'ble Sir Arundel Arundel has given notice of an amendment to insert the word 'important' before the words 'matters of State'. 'Any other important matters of State' is, however, as vague and may be made as all-embracing as the expression 'any other matters of State,' and I do not think the Hon'ble Member's amendment will improve matters in any way. It may be argued, as the Hon'ble Member did when presenting the Report of the Select Committee, that the definition of 'civil affairs', even as it stands, need cause no apprehension; because, before any conviction is obtained, Government would have to prove (1) that the information published was of such a confidential nature that the public interest had suffered by its disclosure; (2) that it had been wilfully disclosed; and (3) that the person disclosing it knew that in the interest of the State he ought not to have disclosed it at that time. Now, my Lord, these safeguards look very well on paper; but I fear in practice they will not be found very effective. When the Government come forward to prosecute a newspaper on the ground that it had disclosed confidential information relating to matters of State and that such disclosure had harmed public interests, I am afraid a great many Magistrates in India will require no other proof than the opinion of Government to hold that the information published was confidential and that it had prejudicially affected the interests of the State. As regards wilful communication, that too will be held to be established as a matter of course, unless the newspaper proves that the publication was due to inadvertence. The knowledge on the part of the editor that such publication should not have been made at that time in the interests of the State will, no doubt, strictly speaking, be more difficult to prove, but Magistrates of the average type in India, in the peculiar relation in which they stand to the Executive Government, will not be very reluctant to presume such knowledge from the fact that the information published was regarded by Government as confidential and from other attendant circumstances. Let me take, as an illustra-

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[*Mr. Gokhale.*]

tion, the publication last year by some of the Indian newspapers of a confidential circular addressed to railway authorities in this country by the Under-Secretary to the Government of India in the Public Works Department in the matter of the wider employment of Europeans and Eurasians. My Lord, in the statement made by Your Lordship in December last on the subject of the Official Secrets Bill, Your Lordship was pleased to state that I had directly attributed the introduction of this Bill to the annoyance caused to Government by the publication of this circular. May I respectfully ask leave to correct this misapprehension? I had mentioned this circular only to illustrate my meaning as to the distinction which I thought Government might make between civil matters of smaller and of greater importance. My exact words were 'It may be said that, while Government have no objection to the unauthorized publication of official news of minor importance, they certainly want to prevent the publication of papers such as the confidential circulars about the wider employment of Europeans and Eurasians in the public service, which were published by some of the Indian papers last year.' And later on, when I spoke of the annoyance caused to the officers of Government, I spoke of 'the annoyance caused by the publication of circulars such as were made public last year.' I had thus used the circular only for the purpose of an illustration, and I beg leave to use it for a similar purpose again today. It is probable that as this circular had been issued without Your Lordship's knowledge or the knowledge of the Member in charge of Public Works, as stated by Your Lordship on a previous occasion, Government would not sanction a prosecution in this case; but supposing for the sake of argument that they did, how would the matter stand? Government might urge that the publication of the circular had inflamed the minds of many Hindus, Muhammadans and Parsis against the Government and had thus led to increased disaffection in the country. And if the trying Magistrate came to accept this view, the task of the prosecution would be comparatively simple. The injury to public interests would be held to lie in the alleged increased disaffection, and the circular being confidential, the Magistrate would have no difficulty in holding that the publication was wilful; and the editor would be presumed to have known what the consequences of such a publication would be. It may be that on an appeal to the High Courts or similar authority, the conviction may be set aside. But the worry and expense caused to the editor by such a prosecution might, in themselves, prove a heavy punishment, especially when it is remembered that the prosecution would have behind it all the prestige, power and resources of the Government. Even if no prosecution were actually instituted by the Government under the proposed legislation, the mere fact that the Government was armed with the power to prosecute cannot fail to affect prejudicially the liberty of the Press in this country. My Lord, nowhere throughout the British Empire is the Government so powerful relatively to the governed as in India. Nowhere, on the other hand,

[*Mr. Gokhale ; Sir Arundel Arundel.*] [4TH MARCH, 1904]

is the Press so weak in influence, as it is with us. The vigilance of the Press is the only check that operates from outside, feebly, it is true, but continuously, upon the conduct of the Government which is subject to no popular control. It is here therefore, if anywhere, that the Legislature should show special consideration to the Press, and yet here alone it is proposed to arm Government with a greater power to control the freedom of the Press than in any other part of the Empire. My Lord, we often hear Government complaining of the distrust shown by the people in this country and of the people complaining of the Government not trusting them enough. In such a situation, where again the question is further complicated by a tendency on the part of the Government to attach undue importance to race or class considerations, the wisest and safest and most statesman-like course for it is to conduct its civil administration as far as possible in the light of day. The Press is in one sense, like the Government, a custodian of public interests, and any attempt to hamper its freedom by repressive legislation is bound to affect these interests prejudicially and cannot fail in the end to react upon the position of the Government itself. My Lord, I fear, that the retention of the words 'or any other matters of State' in the definition of 'civil affairs' will unduly curtail the liberty of the Press in India, and I therefore move that these words be omitted from the definition."

The Hon'ble SIR ARUNDEL ARUNDEL said :—"I regret that I cannot accept this amendment. Besides the affairs of Native States and those relating to the public debt and other fiscal arrangements, there are many other matters of State, from personal questions to inquiries, say, into systematic counterfeiting of coin and movements of possible sedition or foreign conspiracy, which every Government may have to consider and which may have to be kept secret either permanently or for a season.

"The amendment would go beyond what is now permitted in Courts of law. By sections 123 and 124 of the Indian Evidence Act no one shall be permitted to give any evidence derived from unpublished official records relating to *any* affairs of State without qualification or limitation, except with the permission of the officer at the head of the department concerned, who shall give or withhold such permission as he thinks fit. And no public officer shall be compelled to disclose communications made to him in official confidence, when he considers that the public interests would suffer by the disclosure. Thus under the Evidence Act individual officials are empowered to decide whether the public interests would suffer by publicity. Under the Bill now before Council the matter is one that must be decided by the Court on evidence put before it. Moreover, the expression 'matters of State' is strictly limited to affairs 'of such a confidential nature that the public interest would suffer by their disclosure.'

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"If the disclosure had been made it would be for the prosecution to show how the public interests might suffer or had suffered; a suggestion was made that the certificate of a suitable public officer should be made evidence of the injury to the public interests; but this was rejected and the matter has been left to the decision of the Court. The Hon'ble Mr. Gokhale will remember how we attempted in Select Committee to frame a comprehensive definition of civil affairs without success, and we have had to fall back on the general definition embodied in the Bill. *Trifling* matters are not 'matters of State,' but as there seems to be some fear that Government might so regard them I am ready to move an amendment to introduce the word 'important' to qualify 'affairs of State'.

"With regard to the Public Works Circular of last year, all I can say is that if such a circular could have been issued by Government I am perfectly certain Government would never dream of prosecution in connection with it. The views expressed by the Hon'ble Mr. Gokhale and Dr. Asutosh Mukhopadhyaya are evidently different. The Hon'ble Mr. Gokhale is under great apprehensions that a prosecution would be followed by conviction, and that the only safeguard would be an appeal to the High Court. The Hon'ble Dr. Asutosh Mukhopadhyaya, on the other hand, let the cat out of the bag just now when he said that the chance of a conviction was very remote indeed."

The Hon'ble DR. ASUTOSH MUKHOPADHYAYA said :—"I desire to support this amendment, which is identical with the next amendment which stands against my name. The reason for this amendment is obvious, as the words to which I take exception almost completely destroy the value and utility of the definition proposed. As soon as an endeavour is made to define the term 'civil affairs,' it must be upon the admission that the term is vague and does stand in need of a definition. The definition, however, becomes a delusion, if, in addition to the mention of two or three specific cases, it contains words of a general character which make the definition all embracing; such a definition, I venture to think, is rightly open to the charge of being a definition which defines nothing at all. One of the greatest legislators who ever sat in this Council laid it down, as the first principle of legislation, that we must have uniformity when we can have it, diversity when we must have it, but in all cases certainty. It would be difficult to conceive of another definition of civil affairs more uncertain than the one proposed in the Bill. It is impossible to say, with any approach to certainty, what is or is not included in the characteristically vague expression 'any other matters of State.' But whatever vagueness may be admissible in other departments of the law, the law of crimes is undoubtedly the last place where any such vagueness ought to be tolerated, specially when it is desired to create new offences. If we are not in a position to use language more precise, we ought to be content with the specific enumeration already contained in the definition."

[*Rai Bahadur Bipin Krishna Bose.*] [4TH MARCH, 1904.]

The Hon'ble RAI BAHADUR BIPIN KRISHNA BOSE said :—"To have a clear conception of the change in the law, which would result from the retention of the words 'any other matters of State' in the definition of 'civil affairs,' it will be convenient to state very briefly, upon a consideration of the provisions of the Act alone and untrammelled by anything said in Parliament or in this Council, the existing law regarding disclosure of information other than that relating to naval or military affairs. It is an offence (*a*) for any person wilfully and without lawful authority to make public any document or information, which has been obtained by an act which is an offence under the Act, and (*b*) for any person wilfully and in breach of confidence reposed or contrary to his official duty to communicate any document or information to any person to whom it ought not to be communicated.

"In both cases the communication or publication must be contrary to the 'interest of the State,' which, I presume, is the same thing as the 'public interest.'

"The abetment of these acts is also an offence under the Indian Penal Code.

"The Bill proposes to penalise unauthorised publication of any document or information relating to civil affairs, *in whatever manner the same has been obtained*, and not, as now, when the same has been obtained by an act which the Statute declares to be an offence. This expansion of the sphere within which the law would operate would place the public Press under a disability it does not now labour under. It has, however, been stated that the provisions of the Act, read with the definition of 'civil affairs' as proposed, would give all the protection that the Press can legitimately claim in this respect. Now, the condition that the publication must be shown to have been wilful can scarcely be regarded as a real safeguard in the case of a newspaper, for anything appearing in its pages must be held to have been wilfully published, in the absence of evidence to the contrary. The other two safeguards, when analysed, resolve themselves into the same elementary question, namely, whether the publication has injuriously affected the public interest. It has been rightly stated that this is a matter which it will be the function of the Court to decide on the merits of each individual case. But the initiation of a prosecution and a conviction following a prosecution are two different things. For the former, the view which the Government will take will be the sole determining factor, even though that view may not ultimately find acceptance in the Court. Now, the qualifying words constituting the condition referred to above are so general and elastic that the opinion of the Government must always be an unknown quantity, and the newspapers will have to submit to the risk of that opinion differing from their own. Considering the disparity which exists between the facilities which the State

[4TH MARCH, 1904] [*Rai Bahadur Bipin Krishna Bose; Nawab Saiyid Muhammad*]

with its resources will command in prosecuting and those which the offending newspaper will ordinarily be in a position to secure for the defence, it can hardly be denied that this liability to be made an accused in a Crown prosecution will operate as a powerful deterrent. The question thus resolves itself into this, is it for the public good that the liberty the Press now enjoys should be thus curtailed in order that the Government might enjoy a larger measure of protection for their civil affairs generally than what the existing law gives? My view is embodied in the note we have submitted with the Report of the Select Committee and nothing has transpired since to induce me to alter my opinion.

“Regarding the provisions of the Evidence Act to which reference was made, I may be permitted to point out that they deal with cases where a private party calls an officer of Government as a witness with a view to put in evidence some official document. In such cases, the officer concerned is made the sole and final judge as to whether the document called for should or should not be produced. It must be so, for to give the Court the power to decide the question would necessitate the production of the document in dispute with a view to its inspection by the Court so that it might give its decision thereon. But to allow this to be done would be to defeat the very object which the Legislature had in view in enacting the sections referred to, namely, to protect from disclosure official papers which the Government considered should not be made public for the benefit of any private litigant. These considerations cannot apply to cases arising under the Official Secrets Act, where a document would already have been made public, and the sole question for decision would be whether such publication was or was not injurious to the public interest. The opinion of the officer of Government could not in such a case be conclusive.”

The Hon'ble NAWAB SAIYID MUHAMMAD said :—“My Lord, I wish to say a word in support of this amendment. The expression ‘any other matters of State’ appears to me very vague and must have the effect of conferring a wide power on the Government at the initial stage of setting the law in motion. Whether the law will be moved effectively or otherwise is a question that will arise at a later stage, and it is only then that the saving provision of proof to the satisfaction of the Court will come in. The main question for us to consider is whether such a broad legislative provision with the potentialities it must necessarily carry, is consistent with the full and free public discussion of affairs essential to the well-being alike of the Government and the people. Sitting in this Council we cannot disregard the weighty words of reasoned protest that have been coming in from all sides and which have not been confined to any particular section of the community. Since the amendment of the Bill by the Select

[*Nawab Saiyid Muhammad ; Mr. Raleigh.*] [4TH MARCH, 1904.]

Committee this note has not perceptibly abated in volume, and this is due to the feeling of insecurity inspired by the ambiguous and comprehensive definition of 'civil affairs.'"

The Hon'ble MR. RALEIGH said:—"If any of my Hon'ble and learned colleagues would like to try his hand at a definition of 'civil affairs', I shall have a certain artistic pleasure in perusing and criticising the result. When we came to frame the definition in the Bill, we found that the number and variety of subjects to be covered must preclude any attempt at an exhaustive enumeration. We therefore proceeded so far by way of enumeration, and then added the general words now under discussion. It has been contended that the general words have no meaning; and the Hon'ble Dr. Mukhopadhyaya says that our enumeration is not sufficient. I think my Hon'ble colleague forgets for the moment the rule called the *ejusdem generis* rule. When you have certain matters specifically mentioned, and then general words following, the general words are construed with reference to what goes before. Put in the word 'important', which the Hon'ble Member in charge of the Bill proposes to add, and then read the definition without prejudice; you will see that it gives sufficient guidance, to Government in the first place and then to the Courts, as to the class of affairs to which this Bill is intended to apply. The Hon'ble Mr. Bose argues that the opinion of Government as to what is a matter of State, and what is important, may not be the same as the opinion of the independent journalist. That is quite true, but the opinion which prevails in the long run is neither that of Government, nor that of the critic of Government, but the opinion of the Judge by whom the case is tried.

"The Hon'ble Mr. Gokhale indeed suggests that the wishes of Government will guide our Magistrates in their construction of the Act, or, in other words, that accused persons will not have a fair trial. I know something, by this time, of our subordinate judicial officers, and on their behalf I deeply resent the language which Mr. Gokhale has thought fit to use. Our Courts, both High Courts and local Courts, have always prized their independence; it is the desire and the duty of Government to respect that feeling. There is, so far as I am aware, no ground for this general charge, thrown out in unqualified terms against a large body of public servants.

"Mr. Gokhale further contends that, even if prosecutions under the Act are few, the mere fact that Government is empowered to prosecute will hamper the freedom of the Press. I will answer this, not with an abstract argument, but by referring to my own experience. Some time ago I was placed in charge of a Department in the Privy Council Office which had constant relations with the confidential Government Press. We never prosecuted under the Official Secrets Act, but we knew it was there, and I think the knowledge was useful in the

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case of the lower rank of subordinates. They understood that tampering with official documents was not merely a departmental affair, but might turn out to be criminal. But as for the Press, no gentleman connected with it ever has occasion to consider the Official Secrets Act; if you suggested to a London journalist that he must be sadly hampered by its provisions, he would regard the suggestion as an insult. In like manner I should say with confidence that no honest journalist in India has anything to fear from the provisions of this Bill."

The Hon'ble MR. GOKHALE said :—"I beg leave to say just one word with regard to what has fallen from the Hon'ble Mr. Raleigh. He said that he resented the suggestion made by me that many of the Subordinate Magistrates in this country might construe the provisions of this Act in a manner unduly favourable to the prosecution and that accused persons might not have a fair trial when the prosecution was started by Government. All I can say is that if the Hon'ble Member will occasionally glance at the judgments of High Courts, as reported in the newspapers, and read the observations which the Judges from time to time feel themselves constrained to make on the conduct of subordinate Magistrates, he will find that there is more than justification for the fears that I have expressed."

The Council divided :—

Ayes—7.

The Hon'ble Dr. Asutosh Mukhopadhyaya.

The Hon'ble Rai Bahadur Bipin Krishna Bose.

The Hon'ble Dr. Ramkrishna Gopal Bhandarkar.

The Hon'ble Mr. T. Morison.

The Hon'ble Nawab Saiyad Muhammad.

The Hon'ble Mr. Gopal Krishna Gokhale.

The Hon'ble Rai Sri Ram Bahadur.

Noes—16.

The Hon'ble Mr. Dr. M. Hamilton.

The Hon'ble Mr. J. B. Bilderbeck.

The Hon'ble Mr. A. Pedler.

The Hon'ble Mr. H. Adamson.

The Hon'ble Mr. F. S. P. Lely.

The Hon'ble Mr. E. Cable.

His Highness the Agha Khan.

His Highness the Raja of Sirmur.

The Hon'ble Mr. A. W. Cruickshank.

The Hon'ble Sir Denzil Ibbetson.

The Hon'ble Sir A. T. Arundel.

The Hon'ble Major-General Sir E. R. Elles.

The Hon'ble Sir E. FG. Law.

The Hon'ble Mr. T. Raleigh.

His Excellency the Commander-in-Chief.

His Honour the Lieutenant-Governor of Bengal.

So the motion was negatived.

[*Sir Arundel Arundel; Dr. Asutosh Mukhopadhyaya.*] [4TH MARCH, 1904.]

The Hon'ble SIR ARUNDEL ARUNDEL said :—" I am in a somewhat unfortunate position as we were quite unable to accept the amendment which has just been rejected. I was under the impression in proposing the amendment that stands in my name I might meet the wishes and desires of some of the non-official Members of this Council, but from remarks that have already fallen I am not at all sure that they consider the concession worth accepting. However, it is in the direction of giving a further safeguard, and therefore I think it is a step which will strengthen the position of this Bill with regard to the matter under discussion. The motion that I have to make is that in clause 2 of the Bill as amended, in the proposed definition of 'civil affairs', in sub-clause (b) before the words 'matters of State' the word 'important' be inserted. If this amendment is accepted, there will be a further guarantee that the provisions of the Act cannot be needlessly put in force and there will be another point to prove to the satisfaction of the Court."

THE Hon'ble DR. ASUTOSH MUKHOPADHYAYA said :—" My Lord, I appreciate and welcome the spirit in which this amendment has been moved by the Hon'ble Member in charge. It is intended obviously to soften the rigor of the law and to limit the scope of its operation. I wish I could persuade myself to believe that this object will be realized in practice; but I am afraid, however laudable the object may be, in spite of this amendment, matters will remain very much where they are. It may serve as an index of the good intentions of the Government, and may satisfy those who delight to indulge in vague generalities but can hardly appeal to persons who are accustomed to accurate habits of thought."

The motion was put and agreed to.

The Hon'ble DR. ASUTOSH MUKHOPADHYAYA moved that in clause 3 of the Bill as amended, in sub-clause (b) for sub-head (ii) the following be substituted, namely :—

"(ii) after the word 'obtain' the words 'or any copy of any such document, sketch, plan or model' shall be inserted."

He said :—" The effect of this amendment, if it is accepted, will be to remove from section 3 (1) (a) (ii) the phrases 'attempts to obtain' and 'attempts to take' which are proposed to be inserted therein. Under the Act as it stands at present, mere attempt to obtain any document, sketch, plan, model or knowledge is not made punishable in the case of a person who is inside a fortress, etc., or in an office, but such attempt is made punishable when the person concerned is outside the fortress or camp. In this respect our Act follows precisely the English Official Secrets Act, 1889. I have not heard it suggested that the provisions of the English Act in this respect have been found to be defective, nor have I heard any reason assigned why we should, in this matter, depart from

[4TH MARCH, 1904.] [*Dr. Asutosh Mukhopadhyaya ; Sir Arundel Arundel.*]

the high authority of the English Statute. If the Bill be passed as it now stands we may be led to consequences which I am not sure are really intended, *e.g.*, a man may be inside an office lawfully ; while there, if he makes any attempt, say, by putting a question to a clerk, to obtain any information, the language of the section is comprehensive enough to make him guilty of an offence against the Act. I do not think it is any answer to say, that there is no likelihood of a person being prosecuted under the circumstances I have mentioned. The real point of the objection is that it is a serious defect in a Criminal Statute to make the language so unnecessarily comprehensive as to impose a criminal character upon an act which is harmless in itself. Again, if we examine the provisions of the Indian Penal Code, we shall find that mere attempts are made punishable only in the case of some of the very gravest offences, against the State or against human life and property, but in other cases, attempt is made punishable only when in such attempt any act is done towards the commission of such offence. I venture to think that this well-established distinction is not recognised in the section now before us, and I very much prefer to adhere to the provisions of the English Statute, till, at any rate, they are proved by experience to be inadequate or ineffectual."

The Hon'ble SIR ARUNDEL ARUNDEL said :—" I found it quite impossible to understand from the amendment paper precisely what provision the Hon'ble Dr. Asutosh Mukhopadhyaya is about to propose, but I fully understand his position now, and with reference to it I would say that with regard to naval and military affairs it is not sufficient to penalize a person who obtains a document, or sketch, or plan, or model, or map, but it is necessary also to provide against attempts. The attempt may be made either by threats or otherwise, and with regard to taking sketches or plans it might be difficult to say when the taking of a sketch or plan was completed ; but if we include here attempts to obtain or take them, then the object which is desired by the naval and military officials will be secured. That is the reason for which I am unable to accept the amendment."

The motion was put and negatived.

The Hon'ble DR. ASUTOSH MUKHOPADHYAYA moved that in clause 3 of the Bill as amended, in sub-clause (b), after sub-head (ii), the following new sub-head be inserted, namely :—

"(iii) for the word ' anything ' the words ' any naval or military affair of His Majesty shall be substituted ".

[*Dr. Asutosh Mukhopadhyaya*; *Sir Arundel Arundel*.] [4TH MARCH, 1904.]

He said:—"The object of my amendment, in which I am encouraged by what I tell from Sir Arundel Arundel with reference to my previous amendment, is to make absolutely clear what was the original meaning of the section—a meaning which I fear may become obscured under altered circumstances. The Act of 1898 was applicable only to naval and military matters and consequently the phrase 'knowledge of anything' would mean knowledge of any naval and military affairs. As, however, it is now proposed to make other portions of the Act applicable to civil affairs, it may be contended that the phrase 'knowledge of anything' has by implication acquired an extended significance. I therefore suggest that as reference is made to civil affairs expressly only in section (3) (1) (c) and 3 (3), we should make it clear that the knowledge, the acquisition of which is penalised by section 3 (1) (a) (ii), is restricted to naval and military affairs. I cannot conceive that it should be found necessary to penalise the knowledge of everything, as would inevitably be the consequence if the phraseology of the Act be adhered to, inasmuch as the phrase 'knowledge of anything' is far more comprehensive than even the knowledge of naval, military and civil affairs. If, however, my amendment in its restricted form is not acceptable, I would without hesitation suggest that the word 'anything' may be replaced by the words 'any naval, military or civil affair of His Majesty.'"

The Hon'ble SIR ARUNDEL ARUNDEL said:—"I sympathise with the Hon'ble Dr. Asutosh Mukhopadhyaya in his criticism on this passage. I think there is no doubt that as the word stands it is possible that a Court might, if bereft of its senses, regard a knowledge of *anything* as something outside the ken of the definition of 'civil affairs', and I think we ought to take the opportunity now of rectifying a flaw which has only recently come to our notice, but I cannot accept the Hon'ble Member's first suggestion, namely, to insert 'knowledge of any naval or military affair' because that would exclude civil affairs. I am therefore quite prepared to accept the second suggestion of the Hon'ble Member, and to read the passage as 'knowledge of any naval, military or civil affair'. Then it would be understood that the words 'civil affair' would come under the definition of civil affairs in the Bill and would be subject to all the qualifications provided for in that definition.

"Perhaps, if the Hon'ble Member accepts the suggestion, he would propose the second alternative. I do not know how it stands as a matter of business, but with Your Excellency's permission we can adjust the matter by putting in those words—"for the word "anything" the words "any naval, military or civil affair" shall be substituted.'"

The Hon'ble DR. ASUTOSH MUKHOPADHYAYA said that he was prepared to accept this suggestion.

[4TH MARCH, 1904.] [*The President; Mr. Gokhale; Sir Arundel Arundel; Dr. Asutosh Mokhopadhyaya.*]

His Excellency THE PRESIDENT said :—“ The Hon’ble Member having accepted the suggestion, I will now move the amendment that stands in his name in the following words, namely, ‘ that in clause 3 of the Bill as amended, in sub-clause (b), after sub-head (ii), the following new sub-head be inserted, namely, “ (iii) for the word “ anything ” the words “ any naval, military or civil affair of His Majesty ” shall be substituted.’ ”

The motion was put and agreed to.

The Hon’ble MR. GOKHALE moved that in clause 3 of the Bill as amended, in sub-clause (c) the words “ and in sub-section (2) ” be omitted. He said :—“ The effect of this amendment would be to omit the word ‘ civil ’ from section 3, sub-section (3), of the Act as now proposed to be amended and confine the provisions of the sub-section to naval and military matters as in the old Act. I quite admit that this would practically render the present Bill useless, but the only course left open to me now after the rejection of my amendment with reference to the words ‘ any other matters of State ’ is to move that the word ‘ civil ’ be taken out of section 3, sub-section (2). I tried in Select Committee, as my Note of Dissent shows, to go as far with Government as it was possible for me to go. I agreed to extend the new law to the relations of Government with Foreign States, to the confidential relations of Government with Native States, and to confidential fiscal matters. But beyond that I was not prepared to go, and since Government want to define ‘ civil affairs ’ in the manner in which it has been proposed in the Bill, my only course is to propose that the word ‘ civil ’ be taken out of the sub-section.”

The Hon’ble SIR ARUNDEL ARUNDEL said :—“ The amendment of the Hon’ble Mr. Gokhale seems to me to be somewhat of an academic character, for he himself admits that if it were accepted it would render the Bill practically useless, and as I said in regard to the last amendment, which was not accepted without modification, as we have already by implication decided on several amendments to-day that civil affairs are to be included in this Bill, I am unable to accept this amendment.”

The Hon’ble DR. ASUTOSH MUKHOPADHYAYA said :—“ I desire to support this amendment, which is identical with the next amendment that stands in my name. The effect of this amendment if accepted will be to leave section 3, sub-section (2), of the Act unaltered by the omission of all reference to civil affairs. It will be remembered that by the provisions of the Bill now before us, it is

[*Dr. Asutosh Mukhopadhyaya.*] [4TH MARCH, 1904.]

proposed to extend the operation of three of the provisions of the Act to the publication of information relating to civil affairs. The *first* of the three provisions I have referred to above is to be found embodied in section 3 (1) (a) (ii), which we have just amended by substituting for 'anything' the words 'any naval, military or civil affair of His Majesty.' The *second* of the provisions is to be found embodied in section 3 (1) (c), which penalises the publication of information relating to civil affairs by a person who does so, in breach of the confidence reposed on him and to the injury of the State; to this provision I take no exception, and I yield to none in my unqualified condemnation of the conduct of the individual who, after being entrusted with an official secret, wilfully, and in breach of such confidence, communicates the same to the detriment of the public interest. But I am not prepared to go further, and I cannot lend my support to any provision of the law which makes the publication of information relating to civil affairs a criminal offence, no matter under what circumstances such information may have been obtained. It seems to me, that there are at least *two* reasons why such an extension of the law ought not to be allowed. In the *first* place, the State is sufficiently protected by the penalty which we have imposed upon the person, who, when entrusted by the Government with an official secret, has committed an act of breach of faith and communicated the information to the detriment of the public interest. In the *second* place, the extension of the law as proposed in the Bill would be effectually destructive of free public criticism of Government measures. I have heard it said that the provisions of the Bill have now been hedged in with so many limitations, that it would be next to impossible to secure a conviction under the new Act, and that consequently the contemplated changes in the law may be acquiesced in as perfectly harmless. I entirely dissent from this view of the situation. A conviction under the Act may or may not be easy to secure, but the prospect of prosecution will nevertheless be in the mind of every journalist. A journalist may obtain most innocently important information relating to civil affairs; before he can publish it, he must satisfy himself that it will not be treated as an official secret under this Act; in other words, that it will not be regarded as of such a confidential nature that the public interest would suffer by its disclosure. So far as I know, he has no means of ascertaining this with any degree of certainty, and he must either face the risk of a prosecution—be the prosecution ultimately successful or unsuccessful—or, what is more within the range of probabilities, he will think it safer to leave the subject alone. My Lord, I have not the slightest doubt in my mind what the ultimate effect of this legislation will be; it will place the right of free public discussion upon a narrower and more restricted basis; however laudable or

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innocent the object of the promoters of this legislation may be, its results would be disastrous to the people and the Government alike."

The motion was put and negatived.

The Hon'ble DR. ASUTOSH MUKHOPADHYAYA moved that in clause 3 of the Bill as amended, for sub-clause (c) the following be substituted, namely :—

"(c) in sub-head (c) of the same sub-section, for the words 'naval or military' the words 'naval, military or civil' shall be substituted ; and in sub-section (2), after the word 'taken' the words 'or to the civil affairs of His Majesty, if such information has been, by him, wrongfully obtained or taken,' be inserted."

He said :—"The effect of this amendment, if accepted, will be to leave the publication of naval and military secrets punishable irrespective of the manner in which such secrets may have been obtained and to make the publication of civil secrets punishable only when such secrets have been obtained by unlawful means. I do not desire to repeat the arguments which I have already advanced in support of the previous motion, and I venture to think that, if the publication of civil affairs is at all to be included within the operation of this Bill, it ought to be done with the restriction I have suggested. This is the minimum concession which may rightly be asked in the interests of the Press and the right of free public discussion."

The Hon'ble SIR ARUNDEL ARUNDEL said :—"The object of this amendment is to provide that a person who wilfully communicates information which he knows he ought not in the interest of the State to communicate at that time shall not commit an offence unless he obtained the information wrongfully.

"I may say at once that this amendment cannot be accepted. It is the difficulty or rather the impossibility of proving wrongful intention or the wrongful acquisition of information that has made the English Act useless.

"What difference can it make to the public interests—in behalf of which this Bill is framed—whether confidential information has been rightly or wrongly obtained, if the person who possesses it wilfully and knowingly misuses it, and makes it public when he knows he ought not to do so? The amendment would exempt from penalty an official who wilfully misused knowledge which he had acquired in the course of his duties, and this would be altogether wrong. As this Bill now stands, all servants of Government from Members of Council to clerks in the offices fall under the terms of this clause, and I cannot accept an amendment which would exempt them."

[*Nawab Saiyid Muhammad ; Rai Sri Ram Bahadur.*] [4TH MARCH, 1904.]

The Hon'ble NAWAB SAIYID MUHAMMAD said:—"My Lord, in support of this amendment I have only to say that its reasonableness and moderation should commend it to the acceptance of the Council. In the case of all offences intention is justly regarded as the first thing necessary to constitute an offence. In the case of naval and military affairs there will be always a presumption of evil intention, but the same cannot be said of civil affairs. My Lord, men of affairs and publicists have always, under a Government which has ever invited and never feared criticism, commented on all the civil affairs of the Government without any reservation, and it appears unjust that, when information relating to such affairs has been legitimately obtained, it should be treated as an offence. A distinction should here be made between naval and military affairs on one hand and civil affairs on the other. The communication of information concerning the former, in whatever manner obtained, may be treated as an offence, but it is obviously inequitable to mete out the same treatment to the communication of information regarding civil affairs unless the same has been wrongfully obtained."

The motion was put and negatived.

The Hon'ble RAI SRI RAM BAHADUR said:—"My Lord, I move that in clause 3 of the Bill, sub-clause (d) be omitted. This sub-clause runs as follows:—

'(d) after sub-section (1), the following shall be inserted as sub-section (2), and the present sub-sections (2) and (3) shall be renumbered sub-sections (3) and (4):—

"(2) Where a person commits any act specified in clauses (i), (ii) and (iii) of sub-section (1), sub-head (a), without lawful authority or permission (the proof of which authority or permission shall be upon him), the Court may presume that he has committed such act for the purpose of wrongfully obtaining information."

"Clause (1) (a) provides that when a person for the purpose of wrongfully obtaining information—

(i) enters or is found in any place, such as a fortress, factory, camp, etc.,

(ii) or being in any such place or a public office obtains or attempts to obtain any document or plan, etc., without any lawful authority,

(iii) or from outside takes or attempts to take any plan or sketch of any place of military importance without any lawful authority,

he shall render himself liable to punishment under the Act.

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“The word ‘attempts’ in sub-clause (ii) and the expression ‘in any office belonging to His Majesty’ are for the first time being introduced in the Act of 1889 by this Bill. But the most important addition is sub-clause (2), which governs all the acts mentioned in sub-clauses (i), (ii) and (iii). This most important innovation runs as follows:—

‘(2) Where a person commits any act specified in clauses (i), (ii) and (iii) of subsection (1), sub-head (a), without lawful authority or permission (the proof of which authority or permission shall be upon him), the Court may presume that he has committed such act for the purpose of wrongfully obtaining information.’

“My Lord, one of the most important legal presumptions according to the English jurisprudence is that of the innocence of the accused. This presumption, which in legal phraseology ‘gives the benefit of the doubt to the accused,’ is considered so cogent by law that it cannot be rebutted by any evidence short of what is sufficient to establish the fact of criminality of the accused with moral certainty. It is an acknowledged principle of English law that to bring home a charge, the prosecution must establish the elements which constitute the offence.

“Now, according to the first portion of clause 3 (1) (a), it is not the mere entry which constitutes the offence, but the entry must be with the object of wrongfully obtaining information. In order to establish the guilt of the accused the duty of the prosecution should be to prove that the entry was for the purpose of wrongfully obtaining information. But sub-clause (2) is capable of being interpreted in such a way that it would relieve the prosecution of their duty to prove the most important element in the offence charged. If an accused person is found under certain circumstances in one of the places mentioned in sub-clauses (i) to (iii), all that the prosecution will be required to do is to ask the Court to presume that he has committed the offence charged against him.

“I admit that the new sub-clause does, on the first sight, appear to be an enabling clause only and does not lay down a rigid rule of conclusive presumption; but still its provisions may be misused against an accused person. In such cases the accused would be required to prove his innocence to rebut the presumption which the Court may form against him, without the prosecution first proving that the accused made the entry with the object of wrongfully obtaining information or has obtained such information. To prove innocence, however simple it may appear at the first blush, is not an easy matter.

“The retention of this sub-clause is open to the very serious objection that its real purpose will be misunderstood and its provisions will be considered as of

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an advisory character by the Magistrates of the ordinary Indian Courts. Notwithstanding what has fallen from the Hon'ble Mr. Raleigh in the course of one of the remarks made by him just now with regard to the administration of criminal justice in the mufassal, the bitter experience of every body who has some experience of the mufassal Magistracy compels him to entertain a different notion of the administration of such justice.

"As remarked by the Hon'ble Mr. Gokhale, the comments occasionally made by the High Courts in their judgments, on the proceedings of the mufassal Magistracy, fully justify the apprehensions with regard to the misapplication of the provisions of this sub-clause to cases to be tried under this Act.

"My Lord, this sub-clause introduces new provisions with regard to the law of presumption, which are not to be found in the existing Act nor in the Law of Evidence in force in India, and therefore on this ground alone it should be eliminated from the Bill. In case it be said that it does not introduce any innovation but it simply reiterates the principles of the existing Law of Evidence, then also its insertion is open to the equally serious objection that it is a surplusage.

"On these grounds I beg to move that this sub-clause should be omitted and the Courts trying offences under this Act should be left to be guided by the rules of the ordinary Law of Evidence.

The Hon'ble SIR ARUNDEL ARUNDEL said :—"I regret that I cannot accept this amendment.

"In the first place, clause 3 (1) (a) (i) now relates solely to military and naval places, and no objection has hitherto been raised so far as I know to the protection which the Bill is intended to afford to such places.

"In the second place, it is, as every one knows, almost impossible to prove directly that the intention of any person is or was to do a wrongful act. The intention can only be *inferred* from the person's acts. The Bill now leaves it to the Court to draw the inference of wrongful intention, and this is what is meant when it is said that in certain circumstances the Court may *presume* that a person has committed an act for the purpose of wrongfully obtaining information. But in the case before us the Court cannot draw this inference or make this presumption unless the person has committed the act without lawful authority or permission. And as the person must either possess such authority or permission by virtue of his office or by the express or implied sanction of the officer entitled to give it, it is only reasonable to require the person to show that he

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possessed such authority or permission. This merely follows section 106 of the Indian Evidence Act, which lays down that when any fact is specially within the knowledge of any person, the burden of proving that fact is upon him. In the absence of such proof the presumption is adverse. Various illustrations can be adduced. Under section 105 of the Evidence Act the burden of proving unsound mind or grave and sudden provocation in cases of murder and grievous hurt lies upon the accused.

"By section 114 a Court may presume that a man who is in possession of stolen goods soon after the theft is either the thief or has received the goods knowing them to be stolen, unless he can satisfactorily account for his possession.

"Under Act I of 1889, section 4, clause (3), if, in a trial for the offence of making copper or bronze pieces to be used as money, the question arises as to whether any piece of metal was *intended* to be used as money, the burden of proving that it was *not* intended to be so used shall lie on the accused person. Here the accused is called on to prove a negative.

"Turning to the English Statute Law I find in the Public Stores Act, 1875 (38 & 39 Vict., c. 25), several instances of the burden of proof of lawful authority being thrown on an accused person.

"Section 4 lays down that if any person without lawful authority (the burden of proving which authority shall lie upon him) applies any specified Government marks on any stores, he shall be liable to conviction.

"Under section 7 of the same Act a person charged with possessing or conveying Government stores reasonably suspected of having been stolen must satisfy the Court as to how he came by them.

"Under section 9 marine store dealers and pawnbrokers must satisfy the Court as to how they came into possession of stores which the Magistrate sees reasonable grounds for believing are or were His Majesty's property, and without reference to whether they were stolen or not. Under section 8 any person who without written permission from some authority (proof of which permission shall be on the person accused) gathers or searches for stores in certain places is liable to conviction.

"I think that Council will agree that these illustrations show that the hard words that have been levelled at the provision of the Bill now under discussion are out of place, and that there is nothing in it antagonistic to the spirit of our

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laws. I may repeat here that the English Act has been found useless because of the defect we now desire to remove."

The Hon'ble DR. ASUTOSH MUKHOPADHYAYA said:—"I desire to support this amendment, which is identical with the one which stands next on the paper against my name, but before I do so, I should like to clear up one or two matters on which there seems to be some misapprehension. In the first place the Hon'ble Member in charge, I venture to point out, is clearly in error when he says that the clause which we seek to omit applies only to naval and military affairs; it refers expressly to section 3 (i) (ii), which as now amended applies not only to naval and military matters, but also to civil affairs. Indeed, when I asked the Hon'ble Member in charge to accept a restricted interpretation of the word 'anything', I had in view the presumption clause we are now dealing with. In the second place, the real objection is, not to the burden of the proof of lawful authority being placed upon the supposed offender, but to the presumption which it is suggested the Court may draw from one particular fact, namely, if a man has not lawful authority, his intention is criminal.

"The object of the amendment is to secure the omission of the proposed new sub-clause, which lays down that if a person does certain acts without lawful authority or permission (the burden of proof of which authority or permission is placed upon him) the Court may presume that he has committed such act for the purpose of wrongfully obtaining information. I deeply regret to find that a provision so absolutely inconsistent with the first principles of criminal jurisprudence should find a place in this Bill. It will be remembered that in the Bill as originally drafted it was proposed that the qualifying words in the beginning of section 3 (i) (a), which made an intention to obtain information wrongfully the essence of a criminal act, should be omitted. The Select Committee have restored these words, but they have inserted a presumption clause which will practically nullify the effect of the words which are restored. This qualifying clause is taken from the English Statute and has a history of its own. Under the English Statute it must be established, before a person can be convicted under section 1, sub-section (i), that his purpose was to obtain information wrongfully, and these qualifying words were inserted in the House of Lords at the instance of Lord Herschel. We have apparently here grown wiser, for we first endeavour to get rid of these words, and next, when we find that the proposed omission is not defensible, we re-insert them clogged with a presumption clause. No one suggests for a moment that, when a Court has to determine the guilt or otherwise of an accused person, the Court is not entitled to draw an inference

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from *all* the circumstances disclosed in the evidence ; but I maintain that it is contrary to all principles of criminal jurisprudence to provide in the Statute Book that from a particular circumstance the Court may presume the guilt of the accused. It is the law of this country, as it is the law of England, that an accused person cannot be convicted on mere presumption, but must be proved to be guilty by legal evidence which is peculiarly strong and clear beyond a reasonable doubt. The burden of proof is upon the prosecutor ; all the presumptions of law independent of evidence, are in favour of innocence, and every person is presumed to be innocent until he is proved guilty ; if upon such proof there is reasonable doubt, the accused is entitled to the benefit of it by an acquittal. Presumptions, even though rebuttable, ought to be very cautiously introduced, and I cannot think of a more unfortunate instance in which the introduction of a new presumption has been attempted.

“ The only reason which may be suggested in defence of the presumption clause is that it will relieve the prosecution of the burden, which rightly lies upon it, of proving to the hilt the guilt of the accused ; whether a consideration like this should have any weight, I leave it to others to judge.”

The Hon'ble RAI BAHADUR BIPIN KRISHNA BOSE said :—“ The second and third of the three acts referred to in the sub-clause which it is proposed to omit contemplate cases where a man may be said to have been caught red-handed. It can scarcely be argued with any show of reason that in such cases the Court may not draw the presumption of guilty intention. As regards the first act, I am unable to accept the view that the sub-clause engrafts any new rule or principle on the law of evidence. A man's intention is generally a matter of inference, which a reasonable mind naturally and logically draws from his acts and conduct. If the surrounding circumstances are such as to make it morally certain that an act was committed with a particular intention, the inference that it was so committed is as safe in the domain of criminal jurisprudence as in any other sphere of human conduct. Thus we find the Evidence Act authorising the Court to presume the existence of any fact which it thinks likely to have happened, regard being had to the common course of human affairs. If, for example, a person attached to the military staff of a Foreign Government interested in obtaining military secrets of this Empire is found inside a fortress, to which access cannot be had without permission, and he is unable to show that he had such permission, and if further materials for making sketches are found in his possession, the Court would be acting in accordance with the law if it were to presume against him a guilty intention and, unless the presumption is dis-

[*Rai Bahadur Bipin Krishna Bose; Major-General* [4TH MARCH, 1904.]
Sir Edmond Elles; Mr. Raleigh.]

placed, to convict him on the strength of it. In this matter I disagree with the view of the law which has been propounded by the Hon'ble Dr. Mukherjee. To take an opposite case : an ignorant rustic not interested in military matters and not possessed of necessary skill to be able to obtain information relating thereto, is found in a similar predicament. The Court would not be acting rightly if it were to presume against him guilty intention from the mere fact of his presence without authority inside the fortress. Such is the present law and I fail to see how by merely saying that the Court *may*—not *shall*—presume the existence of the necessary wrongful intention, the sub-clause does anything to add to or alter that law. It merely re-states it and in doing so draws the Court's attention to it, perhaps in the majority of cases, somewhat unnecessarily. Holding this view, the Hon'ble Mr. Gokhale, the Hon'ble Nawab Saiyad Muhammad Saheb and myself saw no reason to object to it in the Select Committee, especially as on its adoption depended the elimination of the original provision, which made mere entry or presence, unless shown to be with lawful authority, an offence under the Act. I am unable therefore to support the amendment."

The Hon'ble MAJOR-GENERAL SIR EDMOND ELLES said :—" I only wish to say a few words in regard to the effect of this amendment on military and naval affairs. If the amendment of the Hon'ble Member were carried, the effect would be that the Bill would be rendered practically useless for our purpose. It is a great satisfaction to find that the Hon'ble Mr. Bose has taken the view of the law that he has. He has referred to the case of an officer of a Foreign Power being found inside a fort. Such a case actually occurred in one of our largest fortresses not long ago. The officer was found under suspicious circumstances in the fort. Of course he said that he had come to obtain a view of the surrounding country and scenery, and had no other intentions. It is not only possible for an officer to take a sketch under such circumstances, but any trained Engineer or naval officer could carry away in his head information of the greatest value. I would therefore most strongly protest against the amendment which my Hon'ble Colleague has put forward as being entirely inimical to the objects of the Bill."

The Hon'ble MR. RALEIGH said :—" I meant to make a reply on the point of law, but my Hon'ble Colleague Mr. Bose has made that unnecessary. As soon as the question is stated in a concrete and common-sense way (as it was stated by Mr. Bose and by the Hon'ble Sir Edmond Elles) it becomes apparent that the argument developed in countless articles and speeches on this Bill has nothing in it. Nobody ever denied that the rule as to presumption of innocence is a cardinal principle of criminal justice. But the presumption may be, and frequently

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is, displaced. When a man by his own act has brought himself under reasonable suspicion, the law turns against him, so to speak, and he is required to prove a negative. My Hon'ble Colleague Sir Arundel Arundel has mentioned the case of the person found in possession of stolen property, who is required to prove that he is neither thief nor receiver of stolen goods. Is there anything unfair or oppressive in applying a similar rule to the person found in possession of wrongfully obtained information?"

The motion was put and negatived.

The Hon'ble DR. ASUTOSH MUKHOPADHYAYA moved that in clause 3 of the Bill as amended, the word "and" between sub-clauses (c) and (d) be omitted, and the following be added as a new sub-clause, namely:—

"and

"(e) for the words 'in the interest of the State' wherever they occur, the words 'in the public interest' shall be substituted."

He said:—"This amendment is based on the ground that a uniform language ought to be used throughout the same enactment. I find that the Select Committee, in the definition which they have framed of the term 'civil affairs,' have used the expression 'public interest.' I accept that phraseology and I suggest that the same expression be used throughout the Act. I cannot conceive that what is contrary to the interests of the State can ever be beneficial to the public interest. The interest of the State and the interest of the public are, or at any rate ought to be, identical, and I venture to think that uniformity of language in this instance at least may prevent many a refined argument and ingenious distinction."

The Hon'ble SIR ARUNDEL ARUNDEL said:—"I have no objection to the amendment which has been proposed: in fact, I think that the only Member likely to object to it would be the Hon'ble Mr. Morison, who has urged that the interests of the State are by no means always the public interests. However, in our view the two are identical, and I am quite prepared to accept the amendment which has been put forward."

The motion was put and agreed to.

The Hon'ble MR. GOKHALE said:—"The next amendment which stands in my name is really made up of two amendments, and I had thought I had given separate notices of the two amendments. As, however, they have been

printed together, I move them together. I beg to move that after clause 3 of the Bill as amended, the following be added, namely :—

‘and

(e) to sub-section (3) as so re-numbered, the following exceptions shall be added, namely :—

“ *Exception I.*—Where the information relates to affairs affecting the relations of the Governor General in Council with any Native State in India and the communication has been made by a newspaper, the provisions of the sub-section shall not apply, unless the information has been wrongfully obtained.

“ *Exception II.*—Where the information communicated has been obtained from a newspaper published outside British India, the provisions of this sub-section shall not apply. ”

“The first part of the amendment refers to confidential information, about Native States being published by newspapers, to which Government might take exception. I will only point out this in this connection that whereas in regard to matters affecting the British Government in its own territory, there are only two parties, namely, the Government and the newspaper which publishes the information, in regard to matters relating to Native States there are three parties;—there is the British Government, there is the Native State, and there is the newspaper concerned. In the case of affairs relating to the British Government alone, if a newspaper obtained its information from a recognised officer of the British Government in an authorized manner, there will obviously be no prosecution. In regard to Native States the information might be obtained authorizedly either from a recognised officer of the British Government or from a recognised officer belonging to the Native State: and I submit that it is only fair that where the information has been thus obtained, *i.e.*, not by wrongful means, there should be no prosecution. There are occasions on which a Native Prince finds himself entirely at the mercy of a Political Officer. This is rather a strong expression to use, but I come from a Native State, and I know how sometimes, when there is a strong and unsympathetic Political Officer, the Prince is virtually helpless in spite of whatever representations that he may make. On such occasions, if a powerful newspaper—especially an Anglo-Indian newspaper—takes up the case of the Native State and represents its side in its columns, the result often is that the attention of Government is attracted as it is not attracted by the representations of the Chief, and speedy redress is secured by the Chief, which otherwise there would be small chance of his securing. I think, therefore, that

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where information regarding a Native State, such as is contemplated in the definition of 'civil affairs', has not been wrongfully obtained by a newspaper, the publication should not be an offence. I would further say this—it may be thought that the Native State had no business to communicate such information to the newspaper, that the matter being confidential and being between the Government of India and the Native State, the Native State divulged what it had no business or right to divulge. If so, the Government might deal with the Native State separately, but the newspaper, acting in the interests of the Native State or in the interests of justice, which is even higher, should not be punished simply because the Government of India does not like the disclosures made."

His Excellency THE PRESIDENT said that the first portion of this amendment (Exception I) should be disposed of before passing on to Exception II.

The Hon'ble SIR ARUNDEL ARUNDEL (speaking on Exception I) said :—" I cannot accept the amendment which is proposed, but with regard to what the Hon'ble Mr. Gokhale has said I would remark that I do not think his illustration a very fortunate one. As a matter of fact it is not the mere fact that the information has been rightfully obtained that makes the distinction, but the fact that it was to the benefit of the Native State, and therefore I should say to the public interest, that the matter should be revealed in the newspapers, and that being the case, it is perfectly certain that no prosecution could ever ensue. What I should like to say on the main point is that it would be impossible for the Government to ascertain how the editor of a newspaper obtained his information. All that Government knows is that information has been published, but whether it was rightfully or wrongfully obtained is known to the editor alone. Surely every honourable editor would accept the obligation that he must not wilfully communicate the information to any person to whom he knows he ought not in the interest of the State to communicate it at that time.

" I think it would be an unwise precedent to introduce class legislation in the way proposed and to make a distinction between the editor of a newspaper and anyone else. And why should a newspaper editor be exempt from the liability which besets all servants of Government ? I cannot accept the amendment proposed."

The motion was put and negatived.

The Hon'ble MR. GOKHALE then said :—" My next amendment is to the following effect, that after clause 3 of the Bill as amended the following be added, namely :—

" and

(e) to sub-section (3) as so renumbered, the following exception shall be added, namely :—

" *Exception II.*—Where the information communicated has been obtained from a newspaper published outside British India, the provisions of this sub-section shall not apply."

He said :—" With the amendment that has been made in section 3, sub-section (2), of the Act, namely, the inclusion of civil affairs within its scope, it now becomes a matter of considerable importance that at any rate information which is wired from England to newspapers in this country is not held to lie within the province of that section. It may happen that upon an important matter something might appear in an English newspaper, the *Standard*, or the *Times*, or some such paper, and either a telegraphic summary of that might be sent out to India to some of the leading Anglo-Indian papers, or when the mail comes it might be copied by the newspapers in India. The leakage may have taken place, not in Calcutta, but in the Secretary of State's office in London. If such information has been published in England, and has been copied by any paper here, or a telegraphic summary has appeared in any paper here, under the law as it is now proposed to be amended this becomes an offence. Now, my Lord, the essence of an offence under this Act is *publication* and not publication *here in India*. If, therefore, the information has already been published anywhere else, then there really should be no objection to a newspaper in India re-publishing it ; and to penalize such re-publication is to restrict the freedom of the Press most unjustifiably, as there is no question of secrecy now involved. I therefore submit, my Lord, that this exception should be added to the proposed clause.

"One word of explanation is necessary. It may be said that under the words ' outside British India ' some newspaper in a Native State or foreign territory in India, might publish something which the Government of India wants to keep from the public, and then some newspaper in British India might copy therefrom. Well, I am not keen about extending the benefit of this exception to newspapers in Native States, if Government object to that, and for the words ' British India ' in my proposed amendment I am prepared to substitute the word ' India '.

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The Hon'ble SIR ARUNDEL ARUNDEL said :—" I am not prepared to accept this amendment even with the exception that the Hon'ble Mr. Gokhale has made. If he really thinks that any information which has been published in the *Standard* or any other paper in England would when reproduced in an Indian newspaper expose the editor to prosecution, he must have a very lively imagination.

" The amendment is open to the very obvious objection that the law might be defeated by publishing the official secret outside British India with the view of publishing it within British India immediately afterwards. Newspapers in Goa or in any Native State or in Pondicherry could be utilized for this purpose, and the editor might not even be aware that the publication of the information within British India would be an offence under the law, and that his newspaper was being utilized for improper ends."

The motion was put and negatived.

The Hon'ble DR. ASUTOSH MUKHOPADHYAYA moved that after clause 3 of the Bill as amended the following new clause be inserted, namely :—

" 4. In section 4, sub-section (1), of the said Act, the words ' in the interest of the State or otherwise ' shall be omitted,"

and that the present clauses 4 and 5 be re-numbered clauses 5 and 6. He said :—" This amendment is based upon the same principle as No. 29, which has already been accepted by Council."

The Hon'ble SIR ARUNDEL ARUNDEL said :—" This is a consequential amendment and I accept it."

The motion was put and agreed to.

The Hon'ble DR. ASUTOSH MUKHOPADHYAYA moved that in clause 4 of the Bill as amended, in the proposed section 6, from sub-section (2) the words " to the nearest police-station or ", and from sub-section (3) the words " to a police-station or " and " police-station or ", be omitted.

He said :—" Sub-section (1) of section 6 provides that when a person has been arrested, he is to be taken either to the officer in command of the nearest military station or to a Magistrate of the first class. Sub-section (2) goes on

[*Dr. Asutosh Mukhopadhyaya ; Sir Arundel Arundel.*] [4TH MARCH, 1904.]

to provide, that if the first contingency happens, *viz.*, if the offender is taken to the proper military officer, such military officer may either discharge the offender or send him either to the nearest police-station or to the Magistrate of the first class. I confess I do not like the idea of the person arrested being taken to the police-station. It is enough to say that no advantage is likely to accrue to the accused, at any rate by his being taken to the police-authorities, who cannot release him on bail, a Magistrate of the first class being the only person who can release the accused on bail; it would thus seem that such Magistrate is the proper person to whom he should be taken."

The Hon'ble SIR ARUNDEL ARUNDEL said :—"I think, my Lord, that the Hon'ble Member misunderstands the position of affairs here. When a person is taken red-handed in a fort for some offence under the law, he is taken before the officer for the time being in command at the nearest military station, or before a Magistrate of the first class. If he is taken before the officer in command of the fort and that officer does not discharge him, the obvious thing for him to do is to send him to a police-station and then send him before a Magistrate. Otherwise it would be necessary for the officer commanding the fort to detail a military escort and send the arrested person perhaps for many miles to the nearest first class Magistrate, and therefore it is that this provision of the Bill has been framed. I may say that whatever criticisms have been directed against this Bill hitherto have related to civil affairs and the naval and military provisions have been accepted as necessary for public and imperial safety. I think therefore it is unfortunate that the Hon'ble Member has interfered with these questions. The Hon'ble Mr. Gokhale, who is not supposed to be needlessly reticent in the expression of his opinion on matters of public importance and the other non-official members on the Select Committee, have unanimously accepted the provisions for naval and military concerns, and I hope this Council will endorse our conclusions."

The Hon'ble DR. ASUTOSH MUKHOPADHYAYA said that after the observations of the Hon'ble Member he would not press the amendment.

The Hon'ble DR. ASUTOSH MUKHOPADHYAYA moved that in clause 4 of the Bill as amended, in the proposed section 7, for sub-section (1) the following be substituted, namely :—

"(1) Every person charged with an offence against this Act shall be tried by a jury before a High Court or a Court of Session."

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He said :—“ The principal reason which leads me to advocate the trial of offences against this Act by a jury before a Court of Sessions or a High Court is to be found within the Bill itself as amended by the Select Committee. The Bill provides that civil affairs must be of such a confidential nature that the public interest would suffer by their disclosure, and the original Act itself, in more than one place, provides that the disclosure, in order that it may constitute a criminal act, must be a disclosure to a person to whom any disclosure is contrary to the interest of the State or of the public interest. The determination of questions like these is peculiarly within the province of the jury. Persons holding high offices under the Crown may be put into the witness box to testify on behalf of the prosecution that a particular disclosure has been contrary to the public interest. Whether such high officials in the hands of a skilful Counsel may not be made to disclose in the course of cross-examination many more official secrets, I will not pause to discuss; but I venture to point out that in State prosecutions, and specially in cases like the present, in which the test of criminality is whether or not the public interest has been affected, a trial by jury is more likely than any other mode of trial to secure justice to the accused.”

The Hon'ble Sir ARUNDEL ARUNDEL said :—“ The Hon'ble Member here proposes a startling advance on anything suggested by the non-official members of the Select Committee or even so far as I know by any of the newspapers in the country. He proposes an entirely new departure in the matter of trials by jury, for at present there is no offence which must be tried by a jury in every part of British India.

“ Under the existing Act any Court has power to take cognizance of an offence under the ordinary rules, but in order to make sure that only a Magistrate of experience should deal with such cases, the Select Committee limited magisterial cognizance to Magistrates of the first class, that is to say, to Magistrates possessing full powers. Offences under sections 3 (1) and 4 (2) (b) of the Act are punishable with a maximum of only one year's imprisonment or with fine or with both, and it would be altogether unsuitable to send such cases for trial to a High Court or a Court of Session. There would also be inordinate delay owing to the fact that the sanction of Government to the trial must always be obtained, and that will involve initial delay, and an exaggerated importance would be attached to prosecutions under the Act.”

The motion was put and negatived.

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The Hon'ble DR. ASUTOSH MUKHOPADHYAYA moved that in clause 4 of the Bill as amended, in the proposed section 7, for sub-section (2) the following be substituted, namely :—

“(2) A prosecution for an offence against this Act shall not be instituted except by or with the consent of the Governor General in Council.”

He said :—“The object of this amendment is twofold ; *first*, to secure the restoration of the provision of the law that a prosecution for an offence against the Act shall not be *instituted* except with the consent of the proper authority previously obtained ; *secondly*, that the consenting authority should be no other than the Government of India. So far as the first object is concerned, I have no hesitation in expressing my opinion that the change introduced by the Bill is peculiarly unfortunate. Under the law as it stands, before a prosecution can be instituted, the sanction of the Government must be obtained ; under the law as it is proposed to be altered, authority is given to Courts to take what is called preliminary action pending the orders of the Government as to whether the alleged offender is to be put on his trial. Under these provisions, it is quite conceivable that a supposed offender may be arrested and, if unable to find heavy bail demanded from him, may rot in jail till such time as the Government may find it convenient to determine whether he is to be put on his trial. If, my Lord, after this worry and ignominy, Government determines that there is no case for a prosecution and that the man is not to be put on his trial, I should like to know what reparation the Government proposes for the injury wantonly caused. If we look to the provisions of the Indian Penal Code and the Criminal Procedure Code, we shall find that before a prosecution can be instituted in respect of offences of the gravest character against the State, the previous sanction of the Government has to be obtained. If we turn to the English Official Secrets Act, we find that a prosecution under that Statute cannot be instituted except with the consent of the Attorney-General. It is clear, therefore, that the change which is sought to be introduced is opposed to the principle which underlies the English Statute and is also recognised in the Criminal Codes of this country. It will no doubt be convenient to the prosecution, but it cannot be maintained that any plausible case has been made out for the adoption of this wholly unjustifiable provision.

“So far as the second object of this amendment is concerned, I am anxious that the Government of India should be the only authority at whose instance a prosecution can be instituted. This restriction would undoubtedly diminish the chances of hasty and uncalled-for prosecutions under the Act. Moreover, if the

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creterion in every case be whether or not the interest of the State has suffered by the disclosure of a particular information, the Government of India—which is the highest authority in the State—rather than any of the Local Governments would be best in a position to determine whether there is any justification for institution of proceedings under the Act.”

The Hon'ble SIR ARUNDEL ARUNDEL said :—“ With regard to the first point of the Hon'ble Member's amendment, I would say that he is again encroaching upon the question of naval and military affairs which we always endeavour to keep distinct from civil affairs. With regard to offences under civil affairs, the whole of the Hon'ble Member's criticisms fall to the ground because they are non-cognisable, and so no action can be taken without the formal application to a Magistrate for a summons. .

“ With regard to naval and military affairs, it would never do to have this alteration if the legal criticisms are correct.

“ The existing Act (section 5) runs : ‘ a *prosecution* under this Act shall not be *instituted* except,’ etc.

The Bill runs ‘ *no Magistrate or Court shall proceed to the trial* of any person,’ etc. This was in order to prevent any difficulty arising in connection with the jurisdiction of the Magistrate, before whom an accused person is brought, to deal with the case, *i.e.*, to remand the man to jail or as now to admit him to bail.

“ Lawyers are not quite certain at what point a *prosecution commences*. It might be contended that it began with the arrest of the accused. If this be the case, the amendment now proposed would nullify the Bill as regards immediate action in cases of military and naval offences. For these reasons I must oppose the amendment in regard to both items.”

The Hon'ble RAI SRI RAM BAHADUR said :—“ My Lord, as the amendment to be moved by me and standing next in the Agenda paper is substantially the same as the one proposed by the Hon'ble Dr. Asutosh, with Your Excellency's permission, I beg to say a few words on this motion. The term ‘ Local Government ’ as defined in the General Clauses Act (Act X of 1897) has a very wide meaning and in certain cases includes Political Officers also. It is not advisable to leave the starting of prosecutions under the very elastic terms of this Bill to such officers. Disclosure of official secrets relating to matters of local significance—though the matters may not be of a character the

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disclosure of which would be detrimental to the interests of the State—may be regarded by such officers as fit cases for prosecutions under the Act. There is the possibility of the officers of this class taking a biased view in such cases. In order to guard against possibilities like these, it is advisable that the granting of sanction to initiate prosecutions under this law should rest in the supreme authority in the State and not in any local authority."

The motion was put and negatived.

The Hon'ble DR. ASUTOSH MUKHOPADHYAYA moved that in clause 4 of the Bill as amended, in the proposed section 7, sub-section (2), the words "Magistrate or" be omitted.

He said:—"The reason for this amendment is obvious; the word 'Court' includes a Magistrate, and, consequently, the words 'Magistrate or' are wholly superfluous."

The Hon'ble SIR ARUNDEL ARUNDEL and the Hon'ble MR. RALEIGH advised the acceptance of this amendment.

The motion was put and agreed to.

The Hon'ble SIR ARUNDEL ARUNDEL moved that the Bill, as amended, be passed. He said:—"In moving that this Bill as amended be now passed I would briefly summarize the changes that have been made in it since its first introduction with a view to removing valid objections that have been urged against it.

"A definition of 'civil affairs' has been added limiting them to—

- (a) affairs affecting the relation of His Majesty's Government or of the Governor General in Council with any Foreign State, or
- (b) affecting the relation of the Governor General in Council with any Native State in India or relating to the public debt or the fiscal arrangements of the Government of India, or any other important matters of State, where these affairs are of such a confidential nature that the public interests would suffer by their disclosure.

"The word 'office' has been removed from section 3 (1) (a) (i) of the Act and relegated to clause (12), so that the entering of an office cannot be construed as an offence.

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"The words 'for the purpose of wrongfully obtaining information' have been restored in the same section, but to meet the difficulty—if not impossibility—of proving wrongful intention, the Bill now provides that where a person committed an act specified in sub-head (a) of sub-section (1) without lawful authority or permission—the proof of which authority or permission shall be upon him—the Court may presume that he has committed such act for the purpose of wrongfully obtaining information.

"All offences with regard to civil affairs have now been made non-cognizable and bailable.

"With regard to military and naval offences the right of arrest has been limited to public servants, and the offences have been made bailable. Jurisdiction under the Act has been limited to Courts of Session and Magistrates of the first class, who also possess authority to discharge an accused person if there is no *prima facie* case against him. This power of discharge is also possessed by a commanding, naval or military officer with respect to a person brought before him. The final safeguard is that no Magistrate or Court can proceed to the trial of any person for an offence under the Act, whether naval, military or civil, except with the consent of the Local Government or the Governor General in Council.

"With regard to newspapers in particular I think all reasonable protection is given by providing that a person must not wilfully communicate information relating to the naval, military or civil affairs of Government to any person to whom he knows it ought not in the interest of the State to be communicated *at that time*. Editors of newspapers claim to fulfil a public duty and function in disseminating information, and therefore should not be reluctant to bear the limited responsibility as to public affairs which is thus placed upon them, and which can be a burden to no right-minded person. Public officials are equally responsible under the Bill before us and rightly so. I cannot but think that much of the newspaper opposition to this Bill as amended by the Select Committee—and outside this Council there has not been much else—is, I will not say, factitious, but based on misconception, and I can only regret that our critics cannot regard the need for secrecy, permanent or temporary, in many civil affairs from the same point of view as Government. The Bill as now amended gives the fullest protection to every innocent person, and it would only be after careful consideration and with much reluctance that Government would consent to the prosecution of a person who appeared *prima facie* guilty of some serious breach of the provisions of the law."

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The Hon'ble DR. ASUTOSH MUKHOPADHYAYA said :—"My Lord, though there has been a somewhat prolonged debate over the provisions of this Bill, I find myself unable to give a silent vote upon the motion now before us. The circumstances connected with the passage of this Bill through the Council have been of an exceptional character, equalled only by the exceptional character of the provisions which are embodied in the Bill. The Bill was introduced into the Council on the 28th August, 1903, and immediately after the Statement of Objects and Reasons for the new legislation was made public. My Lord, I feel it my duty to say that, though some of the objects of the Bill were made tolerably plain, the reasons were singularly few and obscure. Indeed, a superficial reader, either of the Statement of Objects and Reasons or of the speech of the Hon'ble Member in charge, might easily be left under the impression that the proposed legislation was of the most harmless and inoffensive character. This, my Lord, is fair neither to the public nor to the Government. As Your Excellency was pleased to explain in Council on the 18th December, there has been no hurry about this legislation and the matter has been under consideration for very nearly ten years. It is natural to assume that the Government must have, at its disposal, materials which, in the opinion of the Government, justify new legislation of such exceptional character. In fairness to the public, the Government ought to have placed these materials before them, specially when their interest is to be so seriously affected. My Lord, I confess that I labour under a weakness in that I prefer facts to assertions even when these assertions come from the highest official authorities. To my mind, it would have been more satisfactory if, instead of vague allusions to defects alleged to have been disclosed by experience, concrete illustrations had been given of the instances in which the existing law had failed or had been found to be defective or inoperative. I maintain, therefore, that no foundation has been laid on the solid basis of facts for this new piece of legislation, and I am almost tempted to draw the inference that if the facts and all the facts had been published, they would not have justified such of the provisions of the Bill as are open to the gravest objection.

"But if, my Lord, an extraordinary reticence was observed in the initial stage as to the reasons for this legislation, the circumstances under which the Bill was referred to the Select Committee were still more singular. The second reading of the Bill is the recognised occasion on which the principles of the measure have to be discussed. Two of our Hon'ble Colleagues—the Hon'ble Nawab Saiyid Muhammad Saheb Bahadur and the Hon'ble Mr. Gokhale—vigorously challenged the whole policy of the Bill, and their challenge was met practically by a refusal on the part of the Government to enter into any discussion of the principles of

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the measure. I will not pause to discuss the wisdom of such a course, but I will add this much, that reticence like this is not calculated to inspire public confidence or to induce the public to believe that the Government was still prepared to listen to its reasonable representations. Meanwhile, the proposed measure had been examined and criticised by the public, and it would be idle to deny that it had met with the unqualified and unanimous disapproval of the entire non-official community. But the public feeling which had been aroused in connection with the Bill, and to which emphatic expressions had been given in many quarters, was considerably appeased by the assurance given by Your Excellency that the Government was prepared, if convinced of the unsuitability of the language, to alter it, if proved to be guilty of obscurity, to correct it, and if shown to have gone too far, to modify their plans. My Lord, it is useless to conceal the fact that the disappointment of the public has been as keen as the expectations which Your Excellency's assurance had raised. We have it, my Lord, on the authority of the Select Committee, that substantial alterations have not been made in the Bill, for they do not hesitate to state that the Bill has not been so altered as to require re-publication. But I frankly concede that although many substantial improvements have been introduced by the Select Committee, yet the portion of the Bill relating to civil affairs is still open, in spite of the proposed definition, to very grave objections. I venture to think that it is an entirely false issue to raise, to assert that with all the qualifications introduced into the Bill, conviction will be well nigh impossible except in cases of the most flagrant description. The real question is, is the language of the proposed enactment, in spite of an apparently elaborate definition, so uncertain, is its scope so unnecessarily wide, that it may catch in the net of criminal legislation persons who ought not to be prosecuted and thus effectively hamper the right of free public discussion? I have no hesitation in stating, that whatever the intentions of the Government may be, the provisions of the Bill will operate as a serious menace to journalism in this country. I cannot help thinking that this endeavour to invest with a secret character, information relating to civil affairs, indicates a sense of weakness in the governing body and also perhaps an unconscious tendency to avoid legitimate unfriendly criticisms. If there is any country in which the right of free public discussion is essential to good government, it is India, and there cannot be any reasonable room for doubt that the alarm which has been raised by eminent journalists of unquestionable repute, both European and Indian, is thoroughly well-founded.

"My Lord, I will only add that this measure has not merely met with the disapproval of the non-official public, but has been regarded as objectionable even

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in the highest official quarters. I will only read out the opinion of His Majesty's Judges of the Calcutta High Court which is significant in its brevity :—

‘The Judges find it difficult to criticise the machinery by which it is proposed to attain the objects of the Bill without dealing with the questions of policy with which the Bill is concerned; and upon those questions they do not feel it to be within their province to touch. They, therefore, do not desire to offer any observations in detail upon the provisions of the Bill. They, however, at the same time, consider that certain of the provisions of the Bill are open to very grave objection.’

“One would have thought, my Lord, that expression of opinion like this would make the Government pause and reconsider the situation. We live, however, apparently in strange times when Government seems determined to push on this piece of repressive legislation which will be a standing menace to the liberty of the Press and to the fearless and honest criticism of State policy and which, however welcome it might have been in the middle ages in some semi-civilized country, would be a serious blot upon the Statute Book in any part of the Empire of Britain in the beginning of the twentieth century, and our regret, my Lord, is all the keener, that this has happened during the administration of Your Excellency who has ever followed the best traditions of English statesmanship in inviting public criticism even when such criticism was known to be unfriendly to the policy of the Government. I therefore deem it my duty to record my most emphatic protest against this Bill, though I might have supported it if it had been limited in its operation only to naval and military matters.”

The Hon'ble NAWAB SAIYID MUHAMMAD said :—“My Lord, I have to make only a few observations before the motion is put to the vote. It is necessary to recollect that, so far as naval and military affairs are concerned, there has been no disposition on the part of any of my Hon'ble Colleagues of the Select Committee to take exception to any provision that Government may consider necessary for the protection of State secrets connected with those affairs. There has also been a unanimity of opinion as regards ‘civil affairs’ in so far as they affect the relations of His Majesty's Government or of the Governor General in Council with any Foreign State. The only difference of opinion—and I must say it is an important one—is in regard to an indefinite and comprehensive provision in sub-clause (b) of the definition of ‘civil affairs’, and the publication by newspapers, under certain conditions, of information connected with Native States in India. And I regret that this difference still remains.

“After carefully listening to all the arguments in favour of the words ‘or any other important matters of State’ I am unable to persuade myself that a

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case has been made out for their retention in the definition of 'civil affairs.' The opposition to this measure is not due to any apprehension that newspaper editors and others who happen to write or speak about public questions will have to reckon with the law directly the Bill is passed, but the fact remains that, at any time and more especially at a time of panic or irritation, the provisions of this measure may be enforced with the rigour which the letter of the law would permit. I submit that the Government should be well satisfied if State secrets connected with naval and military and even international or political affairs are safeguarded leaving their own civil affairs free for discussion and criticism, which have always, in the long run, benefited the Government as well as the public. Instead of thus curtailing the liberty and limiting the usefulness of the Press, the Government should, in my humble opinion, apply their remedies directly to the root of the evil by exercising greater control over their subordinates and by strict departmental discipline. As none of the important amendments has been accepted by the Council and as the Government have not been pleased to reconsider the position taken up, I regret I shall have to vote against the motion now before the Council."

The Hon'ble MR. GOKHALE said :—" My Lord, the motion now before the Council is only a formal one. 'But as it marks the conclusion of our discussion of this important measure, I would like to say a few words. My Lord, I greatly regret that Government should not have seen their way to accepting even a single one of the more important amendments of which notice had been given. This is the first time within my experience that a legislative measure has been opposed by all classes and all sections of the public in this country with such absolute unanimity. Of course with our Legislative Councils as they are constituted at present, the Government has the power to pass any law it pleases. But never before, I think, did the Government dissociate itself so completely from all public opinion—including Anglo-Indian public opinion—as it has done on the present occasion. I recognize that the responsibility for the good administration of the country rests primarily on the shoulders of the Government. But it is difficult to allow that this responsibility can be satisfactorily discharged, unless the Government was supported in its legislative and executive measures by some sort of public opinion. My Lord, Your Lordship has often declared that it was your constant aspiration to carry the public with you as far as possible in all important acts of your administration. I do not think it can be said that that aspiration has been in the smallest degree realized in the present case. The whole position is really most extraordinary and very painfully significant. Here we had a law, already in force, identical in character and identical in wording with the law obtaining in the other parts of the British Empire. The British Government in England, with its

[*Mr. Gokhale; the Agha Khan.*] [4TH MARCH, 1904.]

vast naval and military concerns and its foreign relations extending over the surface of the whole globe, has not found its law insufficient for its purpose. How then has the Government of India, with its more limited concerns, found it necessary to make the law more drastic in India? The explanation, I think, is simple. It is that while in England the Government dare not touch the liberty of the Press, no matter how annoying its disclosures may be, and has to reconcile itself to them as only so much journalistic enterprise, in India the unlimited power which the Government possesses inclines it constantly to repressive legislation. This single measure suffices to illustrate the enormous difference between the spirit in which the administration is carried on in India and that in which it is carried on in England. My Lord, as the Bill is still open to serious objection, I must vote against this motion to pass it."

His Highness THE AGHA KHAN said:—"When I entered this room I had not intended to do more than give a silent vote, but having been one of the members who had the honour of serving on the Select Committee I feel after the speeches we have heard that I ought to make a few remarks explaining why I approve of this measure, and why I gladly support it. The Bill as it now stands in my humble opinion does not threaten any one but a conscious offender. It only gives the Government the power to bring before the proper judicial authorities such persons as deliberately publish important information the publication of which is opposed to public interests and likely to injure the civil and military interests of the State.

"My Lord, I don't see how any one can feel any sympathy for such an offender. Of course, if the publisher is innocent and wrongfully prosecuted, the Law Courts will not punish him. The statement that Magistrates are not independent is to attack the very foundations of our judicial system. If such assertions are correct, the whole system of justice is radically wrong and requires immediate reform.

"My Lord, if the judicial authorities are competent to try the various criminal cases which come before them, surely they are competent to try cases arising from this Bill.

"For these reasons and after careful study of the measure, I am convinced that no innocent person will ever suffer by the passage of this Bill, while when the Bill is passed it may help to bring before justice some conscious offender, and I, therefore, support it.

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“ I have tried very hard to find some radical defect in the Bill, but don't find it defective, and the speeches of the Members opposed to the Bill leave me unconvinced as to the reasonableness of the opposition to this useful measure.

“ Nothing in the Bill is more necessary in my humble opinion than the clause that guards important transactions between the Imperial Government and Feudatory States from being made public, and thus injuring the best interest of the Imperial as well as of Feudatory Governments.

“ For these reasons I gladly support the Bill. ”

The Hon'ble RAI SRI RAM BAHADUR said :—“ My Lord, I regret that the Bill as it stands now is not free from serious objections, and hence I am unable to give my vote in support of the motion to pass it. All the important amendments moved by the non-official Members have been rejected by this Council.

“ My Lord, since the Vernacular Press Act of 1878, which was passed by the Government of Lord Lytton, and repealed under the régime of his successor in 1882, no public measure affecting the liberty of the Press has created such a feeling of unrest throughout the length and breadth of the country and evoked so much hostile criticism from the public, as this Bill has done. The scope of the Act of 1878 was confined to the Vernacular Press only, but this Bill, if passed, will apply not only to newspapers conducted in the Oriental languages but also to those published in English. Thus both the Indian and Anglo-Indian Press will come within the scope of this legislation.

“ My Lord, it is the existence of some grave emergency alone which can justify the introduction, and much less the passing, of a legislative measure like this. But no case of such necessity has been made out either by the speech of the Hon'ble Member in charge of the Bill, delivered at Simla, or any other official utterance made since then. The Statement of Objects and Reasons also does not throw much light on the subject. No concrete instances have been cited in which the existing law has failed to secure the desired object.

“ The Bill, if passed, would unnecessarily interfere with the liberty of the subject and the freedom of the Press. The public expected that before such a measure is passed it ought to have been justified by the production of evidence that privileges hitherto enjoyed by the public Press have been abused and that it has been guilty of publishing official secrets relating to civil affairs which have prejudiced the Government or the public interest.

“ The Indian Official Secrets Act, as already stated by me this forenoon, is only a reproduction of the Parliamentary Statute of 1889. The British Parlia-

ment has not found it necessary to even consider the desirability of making any such changes as now proposed by the Indian Legislature. The English Act is in force in the whole of the British Empire. Had that Act not proved effective in any respect, and had any real necessity been found to exist, Parliament would have felt itself bound to modify it.

“My Lord, the new provisions which are proposed now to be embodied and the alterations to be made in the Act of 1889 will materially affect the liberty of the Press in this country, both English and Indian, and will thus introduce a change on a very important subject which it is submitted was not contemplated at the passing of the English Statute, the prototype of the Indian Act.

“A reference to the Parliamentary debate and the proceedings of the Standing Committee on Law, when the English Act was passed, shows that it was the intention of the British Legislature that newspapers should not come within the operation of the Act. When the Bill came before that Committee, Lord Thring suggested that some punishment ought to attach to newspapers publishing such information. The remarks made by the Chairman of the Committee and Viscount Cross show that it was not intended that newspapers publishing such information should come under the Act.

“Another serious objection against the amended Bill is that it ignores altogether the way in which the information may have been obtained. It would make persons publishing any information, the publication of which may appear to Government undesirable, liable to prosecution, whether they had obtained that information innocently or not. The newspapers published in British India will be placed in a specially precarious condition in publishing information relating to Native States. The editor of a newspaper might receive the information from the Native Chief himself that the Government intends to pass certain orders or take some measures regarding him or his State. The editor, believing that the orders, if carried out, or the measures, if taken, would cause grave injustice, and with the view of preventing such injustice, may criticise them in his newspaper. But under the provisions of the Bill no amount of good intention would be of any avail to him if the Government considered that the publication of the matter affected its relation with the Native State.

“The expression ‘public interest’ is capable of being interpreted with the greatest elasticity. To one set of persons public interest may appear identical with the interest of the people, whilst according to the official view generally, public interest would mean interest of the Government for the time being.

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“ Further it is impossible to lay down any criterion as to what should or should not be considered ‘ affairs of such a confidential nature ’ that ‘ the public interest ’ would suffer by their disclosure. Even the insertion of the word ‘ important ’ before the expression ‘ matters of State ’ in the definition of ‘ civil affairs ’ in sub-clause (b), just now made on the motion of the Hon’ble Member in charge of the Bill, would not remove this difficulty. The word ‘ important ’ is capable of being interpreted with as much elasticity as the expressions noticed above. The evidence of an officer of the department of Government who may start the prosecution, coupled with the fact that such prosecution was undertaken with the sanction of Government, will be sufficient to influence the judgment of the presiding officer of an average Indian Court in the mufassal.

“ The Indian editors of newspapers will be placed in a more disadvantageous position than their Anglo-Indian *confreres*, as the trial of the latter will be by jury, a privilege which will not be enjoyed by the former.

“ My Lord, the Bill, as amended, if passed into law, will tend to curtail to an unnecessary extent the freedom of the Press and will be harmful to the interests of the public. Instead of placing a piece of legislation of such objectionable character on the Indian Statute Book and thus adopting the policy of penalizing the publication of information relating to matters of public interest, the more proper and efficacious course to be followed by Government would be to exercise a greater and more effective control over its subordinates, as has been observed by some of the speakers who have preceded me.

“ My Lord, had the scope of the Bill been confined to matters relating to military and naval affairs only, it would not have been open to the serious objections urged against it. The speakers who have just addressed the Council against this motion have very eloquently and cogently given the reasons why this Bill should not be passed into law. I fully endorse the views expressed by them and vote against the passing of the Bill.”

His Honour THE LIEUTENANT-GOVERNOR said :—“ I just wish to make one or two remarks on the Bill, because I do not think that it would be quite right for me to give a silent vote in support of it. In the first place, I should like to say very clearly and definitely that I have a strong conception of the existence of the evil which this Bill is intended to meet. I have sympathy with the Hon’ble Mr. Morison, who comes from the United Provinces, in not realising as clearly the necessity for the Bill as men who are accustomed to work here. I suppose that the work in the United Provinces is very much akin

to what I had to do in the Central Provinces, where the Press is not very numerous, not very strong perhaps, and not very inquisitive. But since I have come to Bengal I have felt that there has been a great evil in respect of the relations between Government offices and the Press. I do not wish to enter into any detail, but I desire to state this, that I have found papers given perfectly freely to the Press which were marked confidential; I have found notes relating solely to the conduct of cases in the offices commented on in the newspapers; I have found demi-official letters which I have myself written finding their way to the Press; so that I have actually adopted the rule when I write a demi-official letter of keeping the copy in my own office box, instead of placing it in the office file. That of course makes me do precisely what a business man would do, as we have heard, in respect of correspondence affecting his business; but I need not say what an immense, what an intolerable, increase of work and responsibility and burden it means when I am unable to use my office for this legitimate purpose. Now I think, my Lord, in the first place, that this is due, or largely due, to the fact that there is no conscience whatsoever with regard to communication of confidential information; and I think that this is due partly to the fact that, whatever may have been intended, it was believed that it was no offence to communicate civil secrets. And, if there is one thing which this Bill will achieve which will be of advantage, it will be that it will enable people to understand that it is an offence to communicate important confidential affairs without the authority of the officer who is competent to give such authority.

"Then I wish to say distinctly that I entirely agree, to a certain extent, within certain limits, with the view that many officers do not exercise sufficient control over their offices. I propose certainly to endeavour to introduce some reform in this way; but the idea that we should meet this by turning our public offices into private offices, and by putting constables and policemen to turn off everyone who was not able to disprove himself an idler, indicates, I am afraid, a very great want of appreciation both of the manner in which such work would be done by the police, and also of the view which would be entertained by the public generally of any such proposal. And I would also say that we cannot under the circumstances of public offices, and the necessity there is for putting everything on record, as has already been pointed out—we cannot meet the difficulty merely by controlling our offices: we must emphasise our right to prevent the theft of official secrets; and we must be able to interfere when gross and flagrant offences occur. I wish to say that this is the point on which I take my stand. It has been admitted on all sides by this Council that the Government have a right to keep their own secrets. That is a thing which we all admit, but it is not a thing which we enforce. But

[4TH MARCH, 1904.] [*The Lieutenant-Governor.*]

it is theft to take them away, and this is done habitually. It is done by inducements being offered to men to give information : it is done by the readiness with which illicit information is received ; and it is sometimes done altogether against the public interest. And here I think that we have a fallacy which has come more than once into the discussion. The public interest is one thing, and the interest of a section of the community is another ; and I feel very strongly upon this point, that these revelations which have been made of our official acts and of our discussions of great public questions, while they were still going forward, have sometimes been contrary to the public interest although they may have been in the interest of a section of the community which was prepared to pay for them.

“ The last thing which I should like to say is this, that I am astonished to find my Hon'ble friend Dr. Mukhopadhyaya speaking of this Bill as a serious menace to journalism in India. The menace, as he himself defines it, is this, that the editor must decide whether the information which he is about to publish is of such a confidential nature that the public interest will suffer by its publication. That is to say, what is going to take place is this, that an editor will be called upon to think before he publishes something whether it will injure the public interests to publish it. I think that that will be a very great advance in journalism in certain parts of India, and I think that it is an advance that ought to be secured, and the Bill secures it without running any risk whatsoever.

“ I took exception some time ago to certain provisions of the Bill. These have been amended, and I am surprised to think that Hon'ble Members should come up and say that the Bill is exactly as it stood before, and that nothing has been yielded to criticism, when we have, in respect of civil affairs, the great change which has been already effected in the Bill. Still, while the Bill is being read we hear Hon'ble Members speaking of the Bill as providing for the suppression of publication in regard to ‘ other matters of State.’ They do not go on to point out that there is a safeguard in that very clause, where these affairs are defined to be ‘ of such a confidential nature that the public interest would suffer by their disclosure.’ I believe it is of the essence of the case that this proviso should have been introduced : it is also of the essence of the case to notice that under section 5 offences in regard to civil matters are not cognisable : it is also of the essence of the case to notice that under section 7 the consent of the Local Government is required for a prosecution. What I especially desire to say, my Lord, is this, that we cannot meet this evil which exists without creating certain conscience in regard to these matters ; and it is most

[*The Lieutenant-Governor; the President.*] [4TH MARCH, 1904.]

desirable to make it an offence to publish information which it is contrary to the public interest to publish. On the other hand, this Bill, while publishing this declaration, and making this an offence, is so carefully safeguarded that there can be no honest or legitimate interest that can in any way suffer loss."

His Excellency THE PRESIDENT said:—" I should like to make certain observations in summing up this debate. I have observed a marked and agreeable contrast between the tone of the speeches that have been delivered today and that have been characterised by very general moderation, and the criticisms of this Bill that were popularly made when it was first introduced, and that have even survived in some quarters up to the eleventh hour. I attribute this contrast to two reasons. In the first place, the modifications that we have introduced into the Bill have, I believe, removed the greater part at any rate of the objections that were entertained to it; and nowhere, I am sure, is the difference between the Bill as it was originally framed, and the Bill as it is now, better appreciated than by the acute intelligence of the Hon'ble Dr. Asutosh, though in his concluding speech he affected to shut his eyes to the fact. Secondly, it is my experience that it is much more difficult to make exaggerated statements at this table than it is to write them in the Press. For here an answer is possible, and both sides of the case are heard. This is the first occasion upon which the Government have had an opportunity of stating their case upon the details as well as the principles of this Bill, and I think that as a result of this discussion it stands out in a different and clearer perspective.

" Nevertheless, we have had in the debate that has just closed an echo of some at any rate of the apprehensions and alarms that found such wide expression in the earlier phases of the case. To these I desire, before we take the final vote upon the Bill, to offer some reply. Though I think, and have already argued, that the Bill is a necessary, and is certain to be a useful, measure in practice, I am not one of those who regard it as an extremely important or a heroic piece of legislation. It most certainly does not mark, on the part of the Government of India, any sudden change of policy, or desire to enter upon a course either of official secrecy or of anxiety to punish or proscribe those who may not agree with them. As I remarked when I spoke on an earlier stage of the Bill, it is a measure that has long been on the stocks, with a view to remove the anomaly of the present situation under which, as I shall presently show, the existing Act was intended to do something which most authorities are agreed that it does not do: and it was an accident that the actual amending Act was proposed this year rather than at any time during the past six or seven years. Ever since the Act of 1889 was passed, it has been inoperative, both here

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[*The President.*]

and in England, owing to the extreme ambiguity and carelessness of the language that was employed. It was long ago decided to revise the Act in India, whenever the occasion presented itself, and I think it would be found that the same question has been discussed in England, though the conditions of Parliamentary life render it difficult to carry through the House of Commons any measure that is not imperatively called for by the political exigencies of the hour. The Government of India desired to amend the Act for two reasons; firstly, because in practice they had found it to be absolutely useless in the naval and military cases which it was supposed to cover, and, secondly, because they had been informed by their legal advisers that it could not be put into operation in any civil cases, should this require to be done, owing to the extremely imperfect way in which it had been framed. Now it does not appear to me to be good statesmanship to leave a measure which, owing to such causes as these, has become a dead letter, on the Statute Book, any more than it is good horticulture to leave a dead bough on a tree. The Act required amendment some time or other, and the opportunity was taken to amend it. I readily admit that we did not at first proceed very skilfully about it. When a Bill is badly drawn in the first place, it is very difficult to amend it by a well-drawn Bill; and I think that our first attempt was open to well-merited criticism. I am far from claiming that this is a perfect Bill now. But, at any rate, it expresses what the original Act meant very much better than the original Act expressed it, while by virtue of its greater precision of language it should be less and not more obnoxious to those who resent any interference by the State at all.

“It will be obvious from what I have said that the Government mainly rest their case on the proposition that the Act of 1889 was intended to cover civil secrets, though it failed to do so; and that we are merely, therefore, carrying out the original intention, though we are doing it in a manner that affords, as I have said, greater protection to the individual than was ever contemplated in 1889. That this view of the original object is the correct one, is, I think, incontestable. I was in the House of Commons in 1889 when the Bill was passed in England. In so far as it was explained at all, stress was laid, as the Hon'ble Sri Ram Bahadur has pointed out, upon the naval and military origin of the Bill. But nobody paid much attention to it; and it passed through almost without comment. In the House of Lords, however, the Lord Chancellor clearly stated that the objects of the measure were two-fold, namely, first, to punish the disclosure of naval and military secrets, and, secondly, the disclosure in certain circumstances of official secrets. The Lord Chancellor only described one set of circumstances, but it is quite clear from his remarks that he did not regard the Bill, as claimed by the Hon'ble Mr. Gokhale, as

exclusively confined to naval and military affairs. When the Bill was enacted in India in the same year, the Indian authorities were much more explicit : though I observe that the critics of the Bill today have observed a judicious silence as to what was said on that occasion. Sir Andrew Scoble, who has been quoted, spoke in the most clear and unmistakable way. He said that the offences which the Bill was intended to reach were the wrongful obtaining of information in regard to any matter of State importance, and the wrongful communication of such information. How in the face of this is it possible for any one to argue that the Indian Act of 1889 was not expressly intended to protect civil secrets ? Lord Lansdowne was scarcely less explicit, for he based his defence of the measure exclusively upon the publication in a native newspaper of a garbled version of a confidential note by a high officer of Government, not about naval or military matters, but about the policy of the Government of India towards Kashmir, and he said that this was an illustration of the kind of malpractices against which the Bill was directed, and that it should be generally known that the new law was intended to be put in force in such cases in future. If this were not clear enough by itself, I might refer to the title of the Act, which was not Naval and Military Secrets Act, but Official Secrets Act, and to the preamble, which recited the expediency of preventing the disclosure, not of naval and military secrets, but of official documents and information. The same inference is to be deduced from the language of the Act about offices and official places. Indeed, it is really inconceivable that anyone should hold an opposite opinion.

“Now, having, as I think, conclusively established that the Act of 1889 was directed quite as much against the disclosure of civil secrets as of naval or military secrets, I want to put the question :—Is there a single Hon'ble Member at this table, or a single fair-minded person in this country, who would take up the position that the State is entitled to protection for its naval and military secrets, but not for its civil secrets, and that any of its citizens is to be at liberty to disclose these with absolute impunity, except in so far as they may fall incidentally under the ordinary criminal law ? With all respect I say that I cannot conceive of such a position being taken up by any sensible man. It would mean that any secret treaty or negotiation might be divulged, any change in taxation let out in advance, any steps to check or defeat some insidious conspiracy revealed—for fear of invading the so-called independence of the individual, which very often means no more than the impunity to do wrong without being punished for it. We hear a good deal now-a-days about the rights of the individual, and everybody is naturally interested in defending them. But there is such a thing also as the rights of the State, and it seems to me to be part of

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[*The President.*]

the elementary conception of a State, *i.e.*, an organised body appointed to administer the affairs of a community, that it should be at liberty to protect its own confidential secrets. Well, then, I ask next, is there anything in the circumstances of India that should render this country exempt from the application of this simple and elementary rule? Is it not notorious that this is a country where it is very difficult to keep matters confidential, and where there are frequent and sometimes most reprehensible disclosures? Till the Bill was introduced I never heard of anybody who doubted this, and only the other day I read this passage in a Bombay newspaper, the *Bombay Gazette*, which is by no means a friendly critic of the Government of India or of the present Bill, but which speaks with an experience of the country much greater than any temporary resident here, like myself, can possibly claim:—

‘To say that the measure now on the legislative anvil is likely to be the terrible instrument that some critics pretend to fear, is ridiculous. That there is urgent necessity for some such measure—not essentially the same in detail as the present one—is undeniable. Information which it is in the interest of everyone of us should be temporarily kept strictly secret, leaks out, and infinite mischief is done thereby. Instances occur with great frequency. The utmost care is taken to prevent information of this class becoming known to the undue advantage of unprincipled persons, but in vain. The contents of documents are known in the bazar before they reach the person to whom they are addressed. Even “coded” telegrams are unsafe, and we doubt if there is a single journal in India which cannot quote instances in which complaints of such occurrences have reached it. As a case in point, we may mention that of the annual Financial Statement, which is again almost due. Year after year a certain number of copies are printed in the Government Press, placed under cover and sealed, forwarded to the Accountant-General in Bombay with instructions that they must not be delivered until twelve noon on the day the Statement is presented to the Council. These instructions are most religiously followed; yet the whole contents of those documents can be ascertained in the bazar the previous day, and the information to be found under the heading “Ways and Means” is publicly discussed and operated upon. Opium figures find their way into the bazar with even greater celerity, and it is a matter of common notoriety that items of greatest importance outstrip the recognised sources of communication. We are unwilling to believe that subordinate officials in Bombay are responsible. We imagine that, if the Official Secrets Bill, with all its present imperfections, were in force, it would not injure the subordinate nearly so much as we are asked to believe. The man to get at is he who, having official secrets in his possession, fills his pockets by speculation on the strength of them.’

“The argument contained in the above extract has further received the most emphatic and authoritative corroboration at the hands of my Hon’ble Colleague Sir Edward Law and also from the Lieutenant-Governor, speaking from his own experience. I hope, therefore, now to have established three

propositions: firstly, that in amending the Act of 1889, we are merely putting back into it what was always intended to be there; secondly, that the protection of civil secrets is among the primary rights of a civilised State; and, thirdly, that in India there is not less but admittedly greater need for the exercise of this right than in many other countries.

“There only remains for me to examine whether under the terms of our Bill the re-assertion of this right has been made in a manner that is likely to be fraught with any real danger to the individual. We heard a good deal in the debate this morning about the presumption of the English law that a man is innocent until he is proved to be guilty. Is there anything in this Bill that will put the innocent man in peril?

“I have said nothing so far about the concessions that we have made to public criticism in the modifications that we have introduced in this Bill: nor have I time to allude to them now. In the opinion of many of the foremost of our original critics they have taken the whole sting out of the measure. But there is one concession that I must point to with reference to the question that I have just asked. Our endeavour to define civil affairs, which were not defined at all in 1889, has been undertaken exclusively with the object of removing popular apprehension, and of restricting our own rights. But you may then reply that we have not been particularly successful. Well, from the point of view from which this remark is made, nothing I am afraid that we could do would be successful. We might go on specifying and specifying the sort of thing that is a civil affair. But however far we went, there would always be an unspecified residuum; and if this were exempted from the operation of the Act, then we should probably find the most flagrant and culpable offence of all perpetrated in the very unnamed category which we had been foolish enough to omit. That is the reason why we have left in those words ‘or other matters of State,’ though we have still further limited our power of intervention by requiring that they shall in all cases be important matters of State. If the words had been left out altogether, the chances are that the Bill would have once more proved to be a dead letter; for when we wanted, if we ever did want, to apply it, we should probably have found that we had just failed to provide for the one case in which protection was essential. I have seen it asked, if so wide a definition is to be left in the Bill, of what use it is to specify the relations of Government with Foreign States or Native States, or fiscal arrangements, in particular? The answer is that the more you specify, the more you restrict, that the cases named are illustrative as well as specific, and that they afford a clue to the Courts and to the public of the nature of offences which it is intended to

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[*The President.*]

penalise under the Bill. When these cases are specifically mentioned in the first place, and when all other matters of State which they do not cover are further restricted to important cases, and when in the case of all them it has to be established to the satisfaction of the Court that they are of such a confidential nature that the public interest would suffer by their disclosure, so far from thinking that these provisions are ever likely to be used for harassment, I should be inclined to say that the Government has so tied itself up as to render action well nigh impossible, except in circumstances of such extreme heinousness that we hope that they will never occur, while, if they did occur, no two opinions could be held about them.

“ It seems to me that in matters of this description there is a very common tendency to assume the most far-fetched hypotheses, and to argue as if everybody were likely simultaneously to act in a manner in which as a matter of fact people do not act. For instance, from some of the criticisms that have been made upon the Bill in the public Press it might be inferred that the people of India exist under a Government which allows no freedom of thought or utterance, and which is a scarcely disguised engine of oppression. Similarly, one might assume that the Press and the public are every day already, or are capable of being, guilty of acts qualified to keep them perpetually under the ban of the law. And yet we all of us know that both of these hypotheses are purely fanciful; that we have the freest Government in the world, and that though bad cases sometimes occur, and in India, as I have said, much more frequently than in England, yet the sense of public honour and civic duty is more highly developed under British institutions than in any other country. British Governments do not readily assume the role of prosecutor, much less of persecutor, and even if they did, they would very speedily repent of the enterprise. May we not assume in looking at the future operation of this Bill that the factors we are dealing with are Governments possessing some sense of responsibility, Courts retaining some share of independence, and I would add a public which, whatever it may say when excited, has a very considerable confidence in both? If this assumption be a fair one, I think it impossible that any real injustice should be perpetrated under this Bill, and if it were, then I would add that from that moment the Act would be doomed.

“ My own view, therefore, of the Bill is a relatively very modest one. I regard it as a measure of justifiable precaution, investing the State with a power for the protection of important interests which every State ought to possess, and which but for an ambiguity in the existing law we should possess already. Further, I think that the real value of the Bill will be negative rather than

positive, that is, it will act as a deterrent rather than as a penal weapon. People will be more careful than they have hitherto been about disclosures, which every man at the bottom of his heart knows to be dishonourable and injurious to the public interests. Lord Lansdowne's Bill has been in operation for nearly fifteen years, and there has never been a prosecution under it. This has been because, even if the prosecution had been attempted, it would have been inoperative owing to the imperfect nature of the Act. If the present Bill be passed under scrutiny fifteen years hence, so far from the intervening record being one of arrests and trials, I should not be surprised if it were equally blank. But this would be for the much more creditable and satisfactory reason that infringement of the law had been prevented by the power to punish it, and that important official secrets had not been divulged, because divulcation had been made unpleasant and even perilous. If my anticipations are in the least correct, then I think that the Council may pass this measure into law with a perfectly clear conscience, and with the conviction that they are adding not an instrument of terror, but only a weapon of the most elementary self-protection, to the armoury of the State."

The motion was put and agreed to.

The Council adjourned to Friday, the 11th March, 1904.

CALCUTTA;
The 11th March, 1904.

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J. M. MACPHERSON,
Secretary to the Government of India,
Legislative Department.

Proceedings of the Council of the Governor General of India, assembled for the purpose of making Laws and Regulations under the provisions of the Indian Councils Acts, 1861 and 1892 (24 & 25 Vict., Cap. 67, and 55 & 56 Vict., Cap. 14).

The Council met at Government House, Calcutta, on Friday, the 11th March, 1904.

PRESENT:

His Excellency Baron Curzon, P.C., G.M.S.I., G.M.I.E., Viceroy and Governor General of India, *presiding*.

His Honour Sir A. H. L. Fraser, K.C.S.I., Lieutenant-Governor of Bengal.

His Excellency General Viscount Kitchener of Khartoum, G.C.B., O.M., G.C.M.G., Commander-in-Chief in India.

The Hon'ble Mr. T. Raleigh, C.S.I.

The Hon'ble Sir E. F.G. Law, K.C.M.G., C.S.I.

The Hon'ble Major-General Sir E. R. Elles, K.C.B., K.C.I.E.

The Hon'ble Sir A. T. Arundel, K.C.S.I.

The Hon'ble Sir Denzil Ibbetson, K.C.S.I.

The Hon'ble Rai Sri Ram Bahadur.

The Hon'ble Mr. A. W. Cruickshank, C.S.I.

His Highness Raja Sir Surindar Bikram Prakash Bahadur, K.C.S.I., of Sirmur.

His Highness Agha Sir Sultan Muhammad Shah, Agha Khan, G.C.I.E.

The Hon'ble Mr. Gopal Krishna Gokhale, C.I.E.

The Hon'ble Mr. E. Cable.

The Hon'ble Nawab Saiyid Muhammad Sahib Bahadur.

The Hon'ble Mr. F. S. P. Lely, C.S.I.

The Hon'ble Mr. H. Adamson, C.S.I.

The Hon'ble Mr. A. Pedler, C.I.E., F.R.S.

The Hon'ble Mr. T. Morison.

The Hon'ble Dr. Ramkrishna Gopal Bhandarkar.

The Hon'ble Mr. D. M. Hamilton.

The Hon'ble Rai Bahadur B. K. Bose, C.I.E.

The Hon'ble Dr. Asutosh Mukhopadhyaya, D.L., F.R.A.S., F.R.S.E.

MADRAS COAST LIGHTS BILL.

The Hon'ble SIR EDWARD LAW presented the Report of the Select Committee on the Bill to authorize the levy of dues on vessels for the provision

[*Sir Edward Law ; Sir Denzil Ibbetson.*] [11TH MARCH, 1904.]

of lights on the coast of the Province of Madras. He said:—"No alterations of any importance have been made in the text of the Bill except such as were necessary in connection with the revision of the Schedule. We have, after careful consideration of the most accurate obtainable estimates of the yield of the dues, decided to fix tentatively the general rate for steam-vessels at 7 pies per ton. The estimates which have been framed are somewhat doubtful as regards certain classes; and it has been found impossible to work out the precise effect of the thirty days' exemption. In these circumstances, we consider that the rates initially fixed should be revised, if necessary, after two years' actual experience has been obtained. Should the rates imposed prove excessive, they will be reduced; should the yield be insufficient to meet the legitimate charges on account of the coast lights, the rates will be enhanced, within the maximum limits prescribed in the Bill.

"During the discussion on the Madras coast lights dues, it has been represented that those at present levied for the upkeep of lights on the coast of Burma are unnecessarily high, and result in the accrual of a considerable annual profit to the Government. A detailed examination of the accounts of the Burma dues during the past twenty-one years shows that this impression is incorrect; the dues levied have, over the whole period, been insufficient to meet the charges legitimately debitable against them. The average annual deficit exceeds Rs. 3,500. The receipts for the past three years have been exceptionally high, however, and the yield will probably increase rapidly in the future.

"In these circumstances, we consider that the rate at which dues are levied should be revised every five years, the first revision being made when the results of the year 1904-05 are known, and being based on the recorded average annual surplus during the quinquennium.

"At each revision, the rate at which the dues are levied will be readjusted, by even pies, so as to yield approximate equilibrium between receipts and expenditure."

TRANSFER OF PROPERTY (AMENDMENT) BILL.

The Hon'ble SIR DENZIL IBBETSON moved that the Report of the Select Committee on the Bill further to amend the Transfer of Property Act, 1882, be taken into consideration. He said:—"When I introduced this Bill I explained its origin and object with some fulness. The reasons for the only

[11TH MARCH, 1904.] [*Sir Denzil Ibbetson ; Rai Sri Ram Bahadur.*]

substantial alteration made in Committee are stated in the Report, and I have nothing further to add."

The motion was put and agreed to.

The Hon'ble SIR DENZIL IBBETSON moved that the Bill, as amended, be passed.

The Hon'ble RAI SRI RAM BAHADUR said:—"My Lord, with Your Excellency's permission I would like to say a few words in connection with the Bill which is going to be passed into law today. The Bill, though very short, is of considerable importance. In actual practice it will have an effect of a very far-reaching character.

"My Lord, this piece of legislation will not be an unmixed blessing to the people at large. No doubt its provisions will serve the purpose of putting an effectual check upon the doings of persons dishonestly inclined, but, on the other hand, in all places where the Transfer of Property Act is in force—and specially in backward tracts of the country where registration offices are situated at distances—its operation will result in putting the poorer classes of rustics to much inconvenience and expense, not at all commensurate with the amounts of the petty loans which such people generally take on the security of immovables.

"My Lord, we were told that the object of the Government in introducing this Bill was to make alterations and amendments in the law relating to mortgages and leases as specified therein, and no suggestions regarding the amendment of any other portion of the Transfer of Property Act could be entertained in the deliberations on this Bill. My Lord, the policy of piecemeal legislation has not much in its favour, and this Bill is intended to serve only as a patch-work. The Transfer of Property Act was passed in 1882. It was the first attempt by the Indian Legislature to codify the law relating to transfer of property. Its working during the last twenty-two years has disclosed many shortcomings in it. The pages of the Law Reports are full of conflicting decisions by the different Indian tribunals on many of the provisions of this enactment. It is therefore the incumbent duty of the Legislature to remove these uncertainties from such an important branch of the law. The whole Act requires a general and thorough revision. It is therefore hoped that the Government will take up the revision of the law of transfer of property at no distant date."

The motion was put and agreed to.

[*Sir Edward Law; the President.*] [11TH MARCH, 1904.]

INDIAN TARIFF (AMENDMENT) BILL.

The Hon'ble SIR EDWARD LAW moved for leave to introduce a Bill to revive and continue section 8B of the Indian Tariff Act, 1894. He said:—
 “The Indian Tariff Amendment Act, 1902 (VIII of 1902), was passed with the object of enabling the Government of India to countervail bounties on sugar created by private trade combinations such as *cartels*. This Act expired on the 31st of August, 1903, but the Government of India were empowered by the Indian Tariff Amendment Act, 1903 (XII of 1903), to continue to levy the duties chargeable under the former amending Act until the 31st of March, 1904.

“The object of the present Bill is to enable the Government of India to continue to levy special duties after that date on sugar imported from countries which, by maintaining high protective duties, render possible combinations to manipulate the price of sugar.”

The motion was put and agreed to.

The Hon'ble SIR EDWARD LAW introduced the Bill.

The Hon'ble SIR EDWARD LAW moved that the Bill, together with the Statement of Objects and Reasons relating thereto, be published in English in the Gazette of India and in the local official Gazettes.

The motion was put and agreed to.

ADJOURNMENT OF COUNCIL.

His Excellency THE PRESIDENT:—“The Council will meet again on this day week. We will then take up the Ancient Monuments Bill, which I hope we shall pass into law, and after that we will proceed with the Universities Bill. I believe that there are a considerable number of amendments on that Bill, and the discussion of them will no doubt take some time. I therefore propose to take it continuously until it is finished. We will sit on Friday next week; we will resume our sitting on Saturday, and I hope that we may be able to finish the Bill upon that day. If, however, we cannot do this, I propose to resume again on Monday. The Council therefore stands adjourned until Friday next, the 18th instant.”

J. M. MACPHERSON,

CALCUTTA;
 The 12th March, 1904. }

*Secretary to the Government of India,
 Legislative Department.*

Proceedings of the Council of the Governor General of India, assembled for the purpose of making Laws and Regulations under the provisions of the Indian Councils Acts, 1861 and 1892 (24 & 25 Vict., Cap. 67, and 55 & 56 Vict., Cap. 14).

The Council met at Government House, Calcutta, on Friday, the 18th March, 1904, at 11 A.M.

PRESENT :

His Excellency Baron Curzon, P.C., G.M.S.I., G.M.I.E., Viceroy and Governor General of India, *presiding*.

His Honour Sir A. H. L. Fraser, K.C.S.I., Lieutenant-Governor of Bengal.

His Excellency General Viscount Kitchener of Khartoum, G.C.B., O.M., G.C.M.G., Commander-in-Chief in India.

The Hon'ble Mr. T. Raleigh, C.S.I.

The Hon'ble Sir E. F.G. Law, K.C.M.G., C.S.I.

The Hon'ble Major-General Sir E. R. Elles, K.C.B., K.C.I.E.

The Hon'ble Sir A. T. Arundel, K.C.S.I.

The Hon'ble Sir Denzil Ibbetson, K.C.S.I.

The Hon'ble Rai Sri Ram Bahadur.

The Hon'ble Mr. A. W. Cruickshank, C.S.I.

His Highness Raja Sir Surindar Bikram Prakash Bahadur, K.C.S.I., of Sirmur.

His Highness Agha Sir Sultan Muhammad Shah, Agha Khan, G.C.I.E.

The Hon'ble Mr. Gopal Krishna Gokhale, C.I.E.

The Hon'ble Mr. E. Cable.

The Hon'ble Nawab Saiyid Muhammad Sahib Bahadur.

The Hon'ble Mr. H. Adamson, C.S.I.

The Hon'ble Mr. A. Pedler, C.I.E., F.R.S.

The Hon'ble Mr. T. Morison.

The Hon'ble Dr. Ramkrishna Gopal Bhandarkar.

The Hon'ble Mr. J. B. Bilderbeck.

The Hon'ble Mr. D. M. Hamilton.

The Hon'ble Rai Bahadur B. K. Bose, C.I.E.

The Hon'ble Dr. Asutosh Mukhopadhyaya, D.L., F.R.A.S., F.R.S.E.

QUESTION AND ANSWER.

His Highness THE AGHA KHAN asked :—

" I. Will the Government be pleased to state whether any representation has been made by the Government of India to the Turkish Government for abolishing the ten days' quarantine at Camaran Island, where Indian pilgrims going to Mecca, who have already spent fifteen days on board a ' *healthy* ' ship without

[*The Agha Khan ; Sir Denzil Ibbetson ; Major- [18TH MARCH, 1904.]*
General Sir Edmond Elles.]

touching any port, are detained for ten days more, and, if not, will the Government, in view of the hardships which the present unnecessary (Turkish) quarantine rules inflict on Indian pilgrims, consider the advisability of making such representations to the Turkish Government as may bring about new rules by which Indian pilgrims coming on 'healthy' boats and having spent fifteen days since last calling at a port may not be detained anywhere for a further period of needless quarantine."

The Hon'ble SIR DENZIL IBBETSON replied :—

"The Government of India have repeatedly protested against the rule by which all pilgrim ships coming from Indian ports are held by the Turkish Government to be infected irrespective of their actual condition or of the length of the voyage and are subjected to ten days' quarantine at Camaran. These representations have proved ineffectual as Turkey has not joined the International Sanitary Conventions entered into by other Powers. The Secretary of State will again be addressed on the subject in connection with the Convention recently concluded at Paris, by which the period of freedom from plague to be taken into account in determining whether a ship should be regarded as infected or suspected has been reduced from twelve days to seven."

His Highness THE AGHA KHAN asked :—

"II. Will the Government be pleased to state whether any of the Native States have increased or reduced their Imperial Service Troops during the last ten years, and if so will Government mention the State or States that have increased or reduced such Troops, and also mention by what proportion they have increased or reduced them."

The Hon'ble MAJOR-GENERAL SIR EDMOND ELLES replied :—

"I lay on the table a statement* which will answer His Highness the Agha Khan's question. From it it will be seen that there have been, in the case of the States there shown, certain changes, in some instances an increase, and in others a decrease, in the strength of the Imperial Service Troops. The change has, however, generally been in the nature of the corps contributed to Imperial Defence."

* *Vide Appendix.*

[18TH MARCH, 1904.] *Sir Denzil Ibbetson; Nawab Saiyid Muhammad; the President.*]

ANCIENT MONUMENTS PRESERVATION BILL.

The Hon'ble SIR DENZIL IBBETSON moved that the Report of the Select Committee on the Bill to provide for the preservation of Ancient Monuments and of objects of archæological, historical or artistic interest be taken into consideration. He said :—"When I introduced this Bill at Simla, I explained the objects of the Bill and its provisions at considerable length. In Select Committee we made some substantial alterations, and I think improvements; but they in no way touched the principles upon which the Bill is based, and they were mainly directed towards providing still further safeguards for the right of private property and in individuals the religious feelings of the public. I therefore think it unnecessary to add any further remarks now."

The motion was put and agreed to.

The Hon'ble SIR DENZIL IBBETSON moved that the Bill, as amended, be passed.

The Hon'ble NAWAB SAIYID MUHAMMAD said :—"My Lord, I venture to congratulate Your Lordship's Government on this Bill, of which the motive and object will commend themselves to all interested in the preservation of ancient monuments which are of manifold value. These monuments will serve in future as landmarks of the various civilizations and Governments that existed in this country from time immemorial. The various provisions of this Bill are chiefly protective and not penal, and without any unnecessary encroachment upon private or individual rights seek to preserve from ignorant, careless or wanton destruction ancient buildings and monuments of historic and antiquarian value which may not be known to people living in the neighbourhood or in actual possession of the same. The amendments made in the Select Committee are, on the whole, such as will meet with the approval of the public, and are calculated to minimise proceedings of a vexatious nature. Considering the immense advantage which the country derives by the preservation of these monuments the tax-payer, I think, is not likely to complain about any expenditure that may be incurred in acquiring and preserving them."

His Excellency THE PRESIDENT said :—"In a session which embraces a good deal of contentious business, it will, I think, be a pleasure to all of us to pass into law a Bill which has been received without a discordant note by all classes of the community, to which no one has come forward to move an amendment, and which will presently take its place, to use the classical phrase, *nemine contradicente*, on the Statute-book. The principle of the Bill is the sound, and,

as I think, irrefragable, proposition that a nation is interested in its antiquities—an interest which is based on grounds alike of history, sentiment, and expediency, and that it is reasonable and proper to give statutory sanction to the maintenance of this principle by the State. In the somewhat frigid language of the preamble, the object of the measure, more specifically stated, is ‘to provide for the preservation of ancient monuments, for the exercise of control over traffic in antiquities, and over excavation, and for the protection and acquisition of ancient monuments and of objects of archæological, historical, or artistic interest.’ In pursuing these ends we have endeavoured, as far as possible, to enlist private co-operation, to exercise the minimum of interference with the rights of property, to ensure a fair price in the event of compulsory purchase, and to pay most scrupulous deference to religious feelings or family associations. The Bill will require to be administered with sympathy and discretion. But I trust the awakened conscience of all sections of the community in respect of our duty to the past to save us from friction or trouble, and I believe myself that private effort will gladly combine with Government for the furtherance of objects in which both are equally concerned. For the individual owner is as much the trustee for his particular archæological possession as the Government is the general trustee on behalf of the nation at large.

“The Bill is, however, even more than its stipulations imply. It is in reality the coping-stone of a policy in respect of archæology and the remains of the past which the Government of India have pursued with fits and starts throughout the past half century, but with sustained and unremitting ardour during the past few years. I had been in India more than once as an ordinary traveller before I came out as Viceroy, and had observed the state of its antiquities with pain and regret. Fresh as I then was from my University days, I remember thinking how pertinent to India, and to my countrymen in India, were the words of reproach in which the Roman poet, Horace, had addressed his countrymen in what he thought the decadent and indifferent days of the early Empire: and at the risk of being so unfashionable as to quote a language which is said to be now tabooed in public life, I must cite the passage—

Delicta majorum immeritus lues,
Romane, donec templa refeceris,
Ædesque labentes decorum, et
Fœda nigro simulacra fumo.

“In India it was not so much a case of recovering the favour of the Gods—for our theology is not quite the same as that of the Romans—as it

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was of expiating the carelessness of the past, and escaping the reproaches of posterity. But the obligation was just as strong and urgent ; and this Council, while giving the authority of law by its vote of today to the culminating phase, may like to hear something of the manner in which we have interpreted its remaining injunctions.

“ It seemed to me, when I began to enquire exhaustively into the matter five years ago, that the Government of India had made three mistakes. In the first place, they had not recognized that any obligation lay upon them. They had devolved it entirely upon Local Governments, leaving to the latter to spend much or little or nothing at all, and contenting themselves with paying for an inadequate supervisory staff. Secondly, they had set no standard to which Local Governments ought to conform. There was neither co-ordination, nor system, nor control. In one province an enthusiastic administrator might do his duty by the archæological treasures temporarily committed to his care. In another, there was no idea that archæology existed as a science or, if it did, that Government had anything to do with the matter. The third mistake was that conservation, or the task of preserving the memorable relics that we still possess, had been forgotten in the task of research for those that no longer exist, or of writing about objects that were fast falling into decay. Our first step, accordingly, was to revive the post of Director-General which had been in abeyance since 1889, and to procure a competent person to fill it. The next was to set an example to Local Governments, which we undertook to do by the grant of sums aggregating 1 lakh a year, to supplement the local expenditure of which their own funds might permit. The third step was to stimulate them and the Native States also to renewed efforts by a definite programme of conservation and repair. By the end of 1900 our proposals had gone home to the Secretary of State. A year later his answer was received, and a Director-General, Mr. Marshall, who has since thrown himself with scholarly energy and enthusiasm into his task, was on his way out to India ; and in February 1902 we were in a position to publish a Resolution in the Gazette defining our policy, and foreshadowing the programme of work that lay before us as well as the legislation which we are carrying to completion to-day. Two years have passed since that date, and the new system is now firmly established, and has already justified itself by its fruits. I can, perhaps, best bring home to this Council the extent to which we have advanced by giving the concrete figures of then and now. In the year 1898-99, the total expenditure of the Government of India upon archæology was less than £3,000, and this was almost exclusively devoted to salaries ; the total expenditure of all the Local

Governments added together was only about £4,000 in the same year. A sum, therefore, of £7,000 per annum represented the total contribution of the Government of 300 millions of people towards the study or preservation of the most beautiful and precious collection of ancient monuments in the Eastern world. The Government of India is now spending upon this object $2\frac{1}{2}$ lakhs per annum, and the Local Governments 3 lakhs per annum, or a total of some £37,000 a year. Thus, not little by little, but by leaps and bounds, are we catching up the errors of the past, and purging our national reputation of this great stain.

"It is given to but few to realize, except from books and illustrations, what the archæological treasures of India are. I know of Civilians who have spent a life-time in the country without ever seeing Agra, and who make a pilgrimage to visit it when their thifty-five years are done. A Governor General's tours give him a unique chance, and I should have been unworthy of the task which I undertook at the first meeting of the Asiatic Society that I attended in Calcutta five years ago, had I not utilized these opportunities to visit all the great remains or groups of remains with which this country is studded from one end to the other. As a pilgrim at the shrine of beauty I have visited them, but as a priest in the temple of duty have I charged myself with their reverent custody and their studious repair.

"Our labour may be said to have fallen into four main categories. First, there are the buildings which demanded a sustained policy of restoration or conservation, with most diligent attention to the designs of their original architects, so as to restore nothing that had not already existed, and to put up nothing absolutely new. For it is a cardinal principle that new work in restoration must be not only a reproduction of old work but a part of it, only reintroduced in order to repair or to restore symmetry to the old. Of such a character has been our work at all the great centres of what is commonly known as the Hindu-Saracenic style. We have, wherever this was possible, recovered and renovated the dwellings in life and the resting-places in death of those master builders, the Mussulman Emperors and Kings.

"The Taj itself and all its surroundings are now all but free from the workmen's hands. It is no longer approached through dusty wastes and a squalid bazar. A beautiful park takes their place; and the group of mosques and tombs, the arcaded streets and grassy courts that precede the main building, are once more as nearly as possible what they were when completed by the masons of Shah Jehan. Every building in the garden

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enclosure of the Taj has been scrupulously repaired, and the discovery of old plans has enabled us to restore the water-channels and flower-beds of the garden more exactly to their original state. We have done the same with the remaining buildings at Agra. The exquisite mausoleum of Itmad-ud-Dowlah, the tile-enamelled gem of Chini-ka-Roza, the succession of Mogul palaces in the Fort, the noble city of Akbar at Fatehpur Sikri, his noble tomb at Sikandra,—all of these have been taken in hand. Slowly they have emerged from decay and in some cases desolation, to their original perfection of form and detail: the old gardens have been restored, the old water-courses cleared out, the old balustrades renovated, the chiselled bas-reliefs repaired, and the inlaid agate, jasper, and cornelian replaced. The skilled workmen of Agra have lent themselves to the enterprise with as much zeal and taste as their fore-runners three hundred years ago. I have had there the assistance of two large-minded and cultured Lieutenant-Governors in the persons of Sir Antony MacDonnell and Sir James LaTouche. Since I came to India we have spent upon repairs at Agra alone a sum of between £40,000 and £50,000. Every rupee has been an offering of reverence to the past and a gift of recovered beauty to the future; and I do not believe that there is a taxpayer in this country who will grudge one anna of the outlay. It will take some three or four years more to complete the task, and then Agra will be given back to the world, a pearl of great price.

“At Delhi and Lahore we have attempted, or are attempting, the same. The Emperor Jehangir no longer lies in a neglected tomb at Shahdera: his grandfather, Humayun, is once again honoured at Delhi. The Military authorities have agreed to evacuate all the principal Mogul buildings in the Delhi Fort, and the gardens and halls of the Emperors will soon recall their former selves. I might take you down to Rajputana and show you the restored bund along the Ana Sagar Lake. There a deserted stone embankment survived, but the marble pavilions on it had tumbled down, or been converted into modern residences. Now they stand up again in their peerless simplicity, and are reflected in the waters below. I might bring you much nearer home to Gaur and Pandua in this province of Bengal, in the restoration of which I received the enthusiastic co-operation of the late Sir John Woodburn. A hundred and twenty years ago the tombs of the Afghan Kings at Gaur were within an ace of being despoiled to provide paving stones for St. John's Church in Calcutta. Only a few years back these wonderful remains were smothered in jungle from which they literally had to be cut free. If the public were fully aware of what has been done, Malda, near to which they are situated, would be an object of constant excursion from this place. We have

similarly restored the Hindu temples of Bhubaneshwar near Cuttack, and the palace and temples on the rock-fortress of Rhotasgarh. At the other end of India I might conduct you to the stupendous ruins of the great Hindu capital of Vijayanagar, one of the most astonishing monuments to perished greatness, or to Bijapur, where an equally vanished Muhammadan dynasty left memorials scarcely less enduring. If I had more time today, I might ask you to accept my guidance to the delicate marble traceries of the Jain temples on Mount Abu, or the more stately proportions of the mosques at Jaunpur—both of which we are saving from the neglect that was already bringing portions of them to the ground: or I might take you across the Bay of Bengal to Burma, and show you King Mindon's Fort and Palace at Mandalay, with their timbered halls and pavilions, which we are carefully preserving as a sample of the ceremonial and domestic architecture of the Burmese Kings.

"A second aspect of our work has been the recovery of buildings from profane or sacrilegious uses, and their restitution either to the faith of their founders or at least to safe custody as protected monuments. Here we have a good record. The exquisite little mosque of Sidi Sayid at Ahmedabad with the famous windows of pierced sandstone, which I found used as a tehsildar's cutcherry when first I went there, is once more cleared and intact. The Moti Musjid in the Palace at Lahore, into which I gained entrance with difficulty because the treasury was kept there in chests beneath the floor, and which was surrounded with a brick wall and iron gates, and guarded by sentries, is once more free. The Choti Khwabgah in the Fort is no longer a church, the Dewan-i-Am is no longer a barrack, the lovely tiled Dai Anga Mosque near the Lahore Railway Station has ceased to be the Office of a Traffic Superintendent of the North Western Railway, and has been restored to the Muhammadan community. At Bijapur I succeeded in expelling a dāk bungalow from one mosque, the relics of a British post office from another. The mosque in the celebrated fort at Vellore in Madras is no longer tenanted by a Police Instructor. The superb *mantapam* or Hindu temple in the same fort is now scrupulously cared for. A hundred years ago the East India Company presented it to George IV, when Prince-Regent, for erection in the grounds of the Pavilion at Brighton, and only failed to carry out their design, because the ship, which had been chartered for the purpose, very happily went to the bottom. (*Laughter.*) Next it was used as an arsenal, and finally Commissariat bullocks were tethered to its pillars. At Lucknow I recovered a mosque which had been used for years as a dispensary. At Ahmedabad I have already mentioned that the marble *baradari* on the bund is

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no longer the dining-room of the Commissioner's house. At Mandalay the Church and the Club are under notice of removal from the gilded throne-rooms of the Burmese Sovereigns.

"In this policy, which I have so far described in relation to monuments in British territory, I have received the most cordial support from the Indian Princes in their own States. The Nizam of Hyderabad was willing to do all that I asked him—I only wish that it had been a quarter of a century earlier—for the unique Caves of Ajunta and Ellora. He undertook the cataloguing and conservation of a most interesting collection of old china, copper ware, and carpets that had been lying neglected for centuries at Aurungabad in the tomb of the wife of the Emperor Aurungzeb. The Maharana of Udaipur has willingly undertaken the restoration of the exquisite Towers of Fame and Victory on the hill fort of Chitor, one of which could hardly have survived for many more years. The Maharaja Scindia threw himself with characteristic zeal into similar works in his magnificent fortress at Gwalior. The Begum of Bhopal did all that was required at the Sanchi Tope. Finally, there stands in the remote State of Dhar the huge rock-fortress of Mandu, certainly one of the most amazing natural spectacles in the world. Rising to a height of 1,500 feet above the Nerbudda plain, it carries upon its summit, which is thirty miles round, a splendid group of deserted Muhammadan fortifications, palaces, and tombs. These we are assisting the State, which is not rich enough to assume the entire responsibility itself, to place in order. They were fast perishing, victims to the ravages of the jungle, and to unchallenged decay.

"There is yet another aspect of the work of conservation to which I hope that the Bill that we are about to pass will lend a helping hand. This is the custody in collections or museums of rare or interesting objects that have either been torn from their surroundings or whose surroundings have disappeared. Hon'ble Members will be familiar with the larger museums in the capital cities of India, where are collections not without value, but, as a rule, sorely mutilated, often unidentified and uncatalogued, and sometimes abominably arranged. The plan has hitherto been to snatch up any sculptured fragment in a Province or Presidency, and send it off to the provincial museum. This seemed to me, when I looked into it, to be all wrong. Objects of archæological interest can best be studied in relation and in close proximity to the group and style of buildings to which they belong, presuming that these are of a character and in

[*The President.*]

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a locality that will attract visitors. Otherwise, if transferred elsewhere, they lose focus, and are apt to become meaningless. Accordingly we have started the plan of a number of local museums, in places of the nature that I have described. I may instance Malda in Bengal, Pagan in Burma, the Taj at Agra, Bijapur in Bombay, and Peshawar, as localities where these institutions are being called into being, and I hope that in future any local fragments that may be discovered in the neighbourhood of such places, instead of being stolen, packed off, or destroyed, will find their way into these minor collections. Of course the larger provincial museums will continue to attract all classes of objects that do not easily find a local habitation.

“These remarks will, I hope, give to Hon’ble Members an idea of the scientific and steadfast policy upon which the Government has embarked in respect of archæology, and which they are invited to assist by passing this Bill today.

“By rendering this assistance all will join in paying the debt which each of us owes to the poets, the artists, and the creators of the past. What they originated, we can but restore; where they imagined we can but rescue from ruin. But the task though humble is worthy, and the duty though late is incumbent. A hundred and thirty years ago Samuel Johnson in England used to keep up a correspondence with Warren Hastings in Bengal, and in one of his letters the philosopher thus addressed the Governor General—‘I hope that you will examine nicely the traditions and histories of the East, that you will survey the corridors of its ancient edifices, and trace the vestiges of its ruined cities, and that, on your return, we shall know the arts and opinions of a race of men from whom very little has hitherto been derived.’ It is in this spirit that my archæological coadjutors and I have worked. All know that there is beauty in India in abundance. I like to think that there is reverence also: and that amid our struggles over the present we can join hands in pious respect for the past. I like to think, too, that this spirit will survive, and that the efforts of which I have been speaking will not slacken in the hands of our successors, until India can boast that her memorials are as tenderly prized as they are precious, and as carefully guarded as they are already, and will in the future be even more, widely known.”

The motion was put and agreed to.

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[*Mr. Raleigh ; Mr. Gokhale.*]

INDIAN UNIVERSITIES BILL.

The Hon'ble Mr. Raleigh moved that the Report of the Select Committee on the Bill to amend the law relating to the Universities of British India be taken into consideration.

The Hon'ble MR. GOKHALE said:—"My Lord, it is only two weeks today since the Government of India carried through this Council a highly controversial measure, which had evoked a perfect storm of hostile criticism throughout the country. The echoes of that controversy have not yet died out, when the Council is called upon to consider and pass into law another measure even more contentious and vastly more important than the last one. My Lord, if the position of those who opposed the Official Secrets Bill on the last occasion was, from the beginning, a hopeless one by reason of the large majority, which the Government can always command in this Council, that of those who deem it their duty to resist the passage of the Universities Bill today is even more hopeless. In the first place, our ranks, thin as they then were, are even thinner today. Two of our Colleagues, who were then with us, are, in this matter, against us and will no doubt give their powerful support to the Government proposals. Secondly, Anglo-Indian public opinion, which was, if anything, even more pronounced than Indian public opinion in its condemnation of the Official Secrets Bill, is, in regard to this measure, for the greater part, either silent or more or less friendly. Thirdly, both Your Lordship and the Hon'ble Member in charge of the Bill are recognized to be distinguished authorities on educational matters, and the Government have further strengthened their position by the appointment to this Council of four prominent educationists from four different Provinces for the special purpose of assisting in the passage of this Bill. Last, but not least, not only do the Government attach the greatest importance to this measure, but they also feel most keenly on the subject, as was clearly seen in December last, when the Hon'ble Member in charge of the Bill, in replying to some of my observations, spoke with a warmth which, from one of his equable temper and his philosophic cast of mind, must have surprised the Council, and when even Your Lordship—if I may be permitted to say so—spoke in a tone of severity which I ventured to feel I had not quite deserved. My Lord, it is a matter of everyday human experience that when men feel strongly on a point, there is a smaller chance of their appreciating properly the case of their opponents than if there were no feeling involved in the matter. The fight today is thus for several reasons even more unequal than on the last occasion. But those who are unable to approve the proposals of

Government feel that they have an obvious duty to perform in the matter, and they must proceed to the performance of that duty, however heavy may be the odds against them. |

“My Lord, what is this measure of University reform, round which so fierce a controversy has raged for sometime past? Or I will ask the same question in another form. What is it that this Bill seeks to achieve, which could not have been achieved without special legislation? For an answer to this question we must turn to the provisions of the Bill, and these provisions we may classify under three heads. First, those dealing with the expansion of the functions of the Universities; secondly, those dealing with the constitution and control of the Universities; and, thirdly, those dealing with the control of affiliated Colleges. Of these, I would willingly have assented to the last group, had those provisions stood by themselves—unaccompanied by the constitutional changes proposed in the Bill. My Lord, no true well-wisher of the country can object to the Universities in India exercising a reasonable amount of control over their Colleges, as such control is necessary to enforce properly those obligations which affiliated institutions are understood to accept when they come forward to undertake the responsibility of imparting higher education. But there are reasons to fear that in the hands of the reconstituted Senates and Syndicates, these provisions will operate to the prejudice of indigenous enterprise in the field of higher education, and this, of course, largely alters their complexion. But whether one's fears on this point are well or ill-founded, one thing is clear—that the present Bill was not needed to enable Universities to exercise this control over their Colleges. For the University of Madras has, under the existing law, framed regulations for this purpose, which are substantially the same as those contained in this Bill; and what Madras has done, the other Universities could very well do for themselves. Surely, all this convulsion, which the Bill has caused, was not necessary to enable these bodies to do that which they have the power to do under the existing law! Again, in regard to the provisions empowering the Universities to undertake teaching functions, I hope I am doing no injustice to the authors of the Bill if I say that they themselves attach only a theoretical value to these provisions. The Allahabad University has possessed these powers for the last sixteen years, and yet that University is as far from undertaking such functions as any other in India. The truth, my Lord, is that in addition to other difficulties inherent in the position of our Universities, their conversion into teaching bodies, even to the limited extent to which it is possible, is essentially a question of funds, and as there is no reason to assume that

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private liberality will flow in this direction after the Bill becomes law, and Government will not provide the resources necessary for the purpose, these enabling clauses are, as in the case of Allahabad, destined to remain a dead letter for a long time to come. The Government themselves do not seem to take a different view of the matter, as, after including these provisions in the Bill, they are content to leave the rest to time, with the expression of a pious hope that some day somebody will find the money to enable some University in India to undertake teaching functions! While, therefore, I am prepared to recognise that these provisions embody a noble aspiration, I must decline to attach any great value to them for practical purposes, and in any case they are no set off against the drastic changes proposed in the constitution of the Universities. We thus see that for enabling the Universities to exercise efficient control over their Colleges this Bill was not required at all; while, though new legislation was necessary to enable the older Universities to undertake teaching functions, a Bill so revolutionary in character was not needed for the purpose. The claim of the Bill to be regarded as an important measure of reform must, therefore, rest on the provisions dealing with the constitution and control of the Universities. My Lord, I have tried to examine these provisions as dispassionately as I could and to put as favourable a construction on them as possible; and yet I cannot resist the conclusion that while the good they may do is at best problematical, the injury that they do is both certain and clear. In the minute of dissent which I have appended to the Select Committee's Report, I have discussed at some length the real nature and the probable effect of these provisions. I have urged there five principal objections to the constitutional portion of the Bill; namely, (1) in making a clean sweep of existing Senates and in giving them no voice whatever in the nomination of the first new Senates, the Bill inflicts an unmerited indignity on men who have on the whole done good work in the past; (2) the Bill fails to provide for election by Professors, and yet this is the class of men that has more immediate interest than any other in the deliberations of the University; (3) the numbers of the new Senates are fixed too low; (4) the proportion of seats thrown open to election is too small, while that reserved for Government nomination is too large; and (5) the five years' limit to the duration of a Fellowship aggravates the evil of an overwhelming number of seats being in the gift of Government. And I have expressed my belief that the effect of these provisions will be virtually to dissociate the Indian element from the government of the Universities and to put all directive and administrative power into the hands of European Professors, within such limits as the Government may allow. The supporters of the Bill practically admit the correctness

of this contention by saying that the main purpose of the Bill is to get rid of the old Senates, which contain a large unacademic element, and to create new Senates, which shall be academic in their composition, under guarantees of their always retaining this character. It is urged by these men that as the Universities are intended for imparting Western education, it is only proper that their direction should be mainly in the hands of Europeans; and we are further told that the presence of a large unacademic element in the existing Senates has tended to lower the standard of University education and to impair discipline. Especially has this been the case, so we are assured, with the University of Calcutta, and a writer, writing under the name of 'Inquisitor,' has spent considerable industry and ingenuity in demonstrating how both efficiency and discipline have suffered as a result of Indians—especially Indians unconnected with the profession of teaching—having a substantial voice in the deliberations of that University. My Lord, I am myself personally unacquainted with the working of the Calcutta University, but I have made inquiries, and I find that while there may be some room for the complaint which 'Inquisitor' makes, the evil has been greatly exaggerated, and in any case there are facts on the other side which he might well have included in his statement. For instance, he might have told us that in 1881 no less an educationist than Sir Alfred Croft brought forward a proposal for removing classical languages from the list of compulsory subjects, and it was mainly by the votes of the Indian Fellows present and by the casting vote of the chairman that the proposal was rejected. I would like to know how the Hon'ble Mr. Raleigh or the Hon'ble Dr. Bhandarkar would regard such a proposal today. Again, we find that in 1893, a Committee consisting almost entirely of educational experts, including several prominent European educationists, declined to approve a rule laying down that no teacher in a recognized school should teach more than sixty pupils at the same time, Dr. Gurudas Banerjee being the only member of the committee who stood out for such a rule. In 1894, on a motion brought forward by Surgeon-Colonel McConnell, supported by Professor Rowe and Surgeon-Colonel Harvey, the regulation which required candidates for the M.D. degree to have passed the B.A. examination was rescinded, and it is worth remembering that the motion was opposed by an Indian member, Dr. Nil Ratan Sarkar. Even in the well-known case of a prominent Calcutta College, when a serious charge was brought against the working of its Law Department, it is a remarkable circumstance, which, 'Inquisitor' might have mentioned, that the Syndicate, which proposed a temporary disaffiliation of the Law branch of the College, was unanimous in making the recommendation, and of the nine members who voted for this proposal, seven were Indians, six of them being

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again unconnected with the profession of teaching. My Lord, I have mentioned these few facts to show that a wholesale condemnation of Indian Fellows—even of such of them as have been unconnected with the work of education—is neither fair nor reasonable and that the position in reality comes very much to this—that when Englishmen have proposed changes in the existing order of things, nothing is said, but when similar changes have been proposed by Indian Fellows, the cry that efficiency or discipline is in danger has been raised without much hesitation by those who would like to keep the management of University affairs mainly in European hands.

“My Lord, if any one imagines that the passing of this Bill will lead to an improvement in the quality of the instruction imparted in Colleges, he will soon find that he has been under a delusion. Even those who make the more guarded statement that the Bill, by providing an improved machinery of control, will bring about a steady and sure reform in the character and work of affiliated institutions, will find that they have been too sanguine in their expectations. My Lord, after nearly twenty years' experience as a teacher I lay it down as an incontestible proposition that a teacher's work with his students is but remotely affected by the ordinary deliberations of a University, and that if he finds that he is unable to exercise on their minds that amount of influence which should legitimately belong to his position, he may look within himself rather than at the constitution of the Senate or the Syndicate for an explanation of this state of things. Of course in regulating the courses of instruction, and prescribing or recommending text-books, the University determines limits within which the teacher shall have free scope for his work. But these courses of instruction, once laid down, are not disturbed except at considerable intervals, and in regard to them as also in regard to the selection of text-books, the guidance of the expert element is, as a rule, willingly sought and followed. The substitution of an academic Senate for one in which there is a considerable mixture of the lay element will no doubt effect some change in the character of University debates ; but that cannot affect the work done in Colleges in any appreciable degree. For an improvement in this work, we want better men, more money and improved material. The first two depend, so far as Government Colleges are concerned, on the executive action of Government which could be taken under the old law and which has no connection whatever with the present Bill. And when an improvement takes place in the manning and equipment of Government institutions, the private Colleges will find themselves driven, as a matter of course, to raise their level in both these respects. As regards an improvement in the material on which the College Professors have to work,

that depends on the character of the instruction imparted in Secondary Schools, and the character of the examinations prescribed by the University. Of these two factors, the education given in High Schools is not affected by this Bill, and the character of the examinations, which I have long felt to be most unsatisfactory, will continue practically the same under the new *regime* as under the old, since examiners will continue to be drawn from the same class as now, and the conditions of their work will also continue the same.

“Unless, then, there is an improvement in the manning and equipment of Colleges, and in the quality of the material on which Professors have to work, it is idle to expect any improvement in the work done in these Colleges. My Lord, I go further and say that, even if better men and more money and improved material were available, the improvement is bound to be slow. The three factors of men, money and material will have to act and re-act on one another continuously for some time, before a higher academic atmosphere is produced, without which there can be no real elevation of the standard of University education. To this end, the Bill has, as far as I see, very little contribution to make. There is indeed one way in which the Bill can help forward such a result, and that is, if under its operation the Universities are enabled, by funds being placed at their disposal, to establish University chairs. The institution of such chairs, especially if supplemented by a large number of research scholarships in the different Provinces for more advanced students, will powerfully stimulate the creation of that higher academic atmosphere of which I have spoken. But it seems this is just the part of the Bill which will not come into operation for a long time to come. It will thus be seen that the Bill has very little connection with the improvement of the work done in the affiliated Colleges of the Universities. It may, however, be said that the creation of academic Senates is in itself a desirable end, since in other countries the government of the Universities is in the hands of those who are engaged in the work of teaching. My Lord, my reply to this argument is that the whole position is exceptional in India; and that it is not fair to the people of this country that the higher education of their children should be under the exclusive control of men who want to leave this country as soon as they can and whose interest in it is therefore only temporary. Of course, the Professors must have a substantial voice in the deliberations of our Universities; but with them must also be associated almost on equal terms, specially for the purpose of determining the broader outlines of educational policy, representatives of the educated classes of India. And, my Lord, it is because the Bill proposes to ignore this aspect of the

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question and practically reverses the line of policy adopted by Government in this matter for the last half a century that I look upon the measure as a distinctly retrograde one. The highest purpose of British rule in India, as I understand it, is not merely to govern the country well but also to associate, slowly it may be but steadily, the people of this country with the work of administration. In proportion as a given measure helps forward this purpose, it makes for true progress. Whatever, on the other hand, has the contrary tendency, deserves to be declared as reactionary. There is no doubt whatever that under this Bill the proportion of Indian members in the Senates of the different Universities will be much smaller than at present. The Fellows elected by Graduates will, as a rule, be Indians; the Faculties will consist almost entirely of Government nominees and of such other persons as these nominees may co-opt. There is not much room for the hope that any considerable proportion of the Fellows elected by these Faculties will be Indians. As regards Government nominations, their choice will naturally first fall on European educationists; then will come European Judges, Barristers, Civilians, Engineers, Doctors and such other people. As the numbers of the new Senates are now to be very small, one can easily see that there is hardly any margin for the inclusion of any except a very few most prominent Indians, in the Government list. The Senates of the future will thus be dominantly European with only a slight sprinkling of Indians, just to keep up appearances. And it is these Senates and the Syndicates elected by them that are armed with powers of control over affiliated Colleges, which may easily be abused. My Lord, it fills me with great sadness to think that after fifty years of University education in this country, the Government should have introduced a measure which, instead of associating the Indian element more and more with the administration of the Universities, will have the effect of dissociating it from the greater part of such share as it already possessed. I think the ascendancy of Englishmen in India in any sphere of public activity should rest, if it is to be of real benefit to the country, on intellectual and moral and not on numerical or racial grounds. My Lord, in your speech on the Budget of last year, Your Lordship thought it necessary to address a caution to the opponents of this Bill. You asked them not to assume that 'all the misguided men in the country were inside the Government and all the enlightened outside it.' If any of the critics of this Bill had ever made such a preposterous assumption, they well merited the caution. But it sometimes seems to me that the supporters of this Bill argue as though the reverse of that assumption was justified, and that every one who was opposed to this Bill was either a misguided person or an interested agitator. My Lord,

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I do hope that, whatever our deficiencies, we are not really so dense as to be incapable of understanding what is now our interest, and what is not, nor, I hope, are we so wicked and ungrateful as to bite the hand that is stretched to feed us. It is because we feel that this Bill is of a most retrograde character and likely to prove injurious to the cause of higher education in the country that we are unable to approve its provisions, and it is because I hold this view that I deem it my duty to resist the passage of this Bill to the utmost of my power."

The Hon'ble MR. RALEIGH said :—"My Hon'ble Colleague has criticised with some severity the speech which I addressed to this Council in December last. It is true that on that occasion my language was emphatic, but if in replying to my Hon'ble Colleague I have gone beyond what he might think the consideration for him, which he would desire, it is because it has been to me a matter of great personal regret that we have not been able to carry the Hon'ble Mr. Gokhale with us, and to obtain a larger measure of his co-operation in devising the provisions of this Bill. I trust that he will accept this explanation, and I trust also that I am justified in assuming that there was nothing unfair to him in the criticism which I ventured to offer in the speech to which he referred. My Hon'ble Colleague has delivered a sustained attack upon the whole Bill, and I will ask him to forgive me if, on the occasion of this motion, I do not make a general reply. We have had a review of the whole question of University education in India, the object of the review being to show that on the points where they differ my Hon'ble Colleague is right and the Government are wrong. But so far as the merits of this Bill are concerned every single point which my Hon'ble Colleague has taken will come up on one or other of the amendments which stand on the paper. I am prepared to deal with them all in their order; and in the meantime, I think the Council will agree with me that I need not lengthen this debate, which is likely in any case to be long, by making a general speech at this stage."

The motion was put and agreed to.

The Hon'ble MR. GOKHALE moved that from the preamble the word "Bombay", wherever it occurs, and the reference to Act XXII of 1857 be omitted, and the words "except Bombay" be added after the words "British India". He said :—"My Lord, my object in moving this amendment is to enter my protest at this Council against the Government of India proposing to deal in one Bill with five different Universities, having different histories and growth, and to raise my voice in a formal manner

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against the unjust condemnation which this Bill impliedly passes on the work and character of the Bombay University as at present constituted. In the course of the discussions in the Select Committee over this Bill, the case of the Calcutta University was again and again mentioned to justify the inclusion within the Bill of provisions to which exception was taken on the ground that they were unnecessary and might even prove harmful in other Provinces. We were repeatedly told that the Calcutta University had drifted into such a position that there was no hope for it without a drastic measure of reform, such as is contemplated in this Bill. My Lord, if the state of things in Calcutta was really so hopeless, what was there to prevent the Government from undertaking an amendment of the Calcutta University Act on such lines as they thought proper? The wisdom and foresight of those who passed the original Acts of Incorporation for the three older Universities had made it easy for the Government to adopt such a course. Those Acts were identical in their wording, and yet they were passed separately for each one of the three Universities, so that whatever amendment was subsequently found necessary as a result of the special circumstances of each case might be made without interfering with the natural growth of the other Universities. Or, if the Government of India wanted that certain general principles should be introduced or emphasized in the constitution of the different Universities in India, the proper course for them to pursue was to have laid down these principles in a general Resolution, and to have directed the Local Governments to introduce amending legislation to give effect to them without doing any undue and unnecessary violence to the special character and growth of each University. It would then have been possible to legislate for the different Universities in India with a full knowledge of local conditions, and after giving due weight to local objections and criticisms. And we should not have witnessed the spectacle of men generalizing for five Universities from their knowledge of a single University, and assisting in the work of legislation for Universities other than their own, in greater or less ignorance of their special conditions. If the amending legislation for Bombay had been undertaken in the Bombay Legislative Council instead of here, I am confident that the Bill would have been much more satisfactory, as the changes proposed would have had to face the fullest discussion and the closest scrutiny on the spot. My Lord, I see no justification for extending the provisions of this Bill to the case of the Bombay University; the record of that University is on the whole such that it may well regard it with a sense of satisfaction. It has been a record of powers well and judiciously exercised, of continuous attempts to raise the standard of education by a revision of the courses of instruction from time to time, and in other ways. Take, for instance, the question of the affiliation of Colleges

There are only eleven Arts Colleges in the whole of the Bombay Presidency, and of these, only one is a second grade College, and that is in the Native State of Kolhapur. Of these eleven Colleges, two are Government institutions, four more are in Native States with the resources of these States at their back, two more are maintained by Municipal bodies with the assistance of the Government and of the general public, and only three are private Colleges, of which two are missionary institutions and one only of indigenous growth. All these private Colleges receive substantial grants-in-aid from Government. In the case of not a single one of these Colleges can it be said that it has been started for private gain. Their constant endeavour has been to place better and better facilities for real education at the disposal of their students. All these Colleges, with the exception of the second grade College at Kolhapur, provide residence in College for at least a part of their students. In my College we have built residential quarters for more than half of our students, and two of our Professors reside on College grounds. A large spot of 37 acres in one of the finest localities outside the city of Poona has been secured for the College, and College buildings with residential quarters for the students and houses for Professors have been built thereon. We are making continuous additions to our library and laboratory, and in fact no effort is being spared to make the College as much a seat of true College life as it is, in existing circumstances, possible. What is true of my College is true of other Colleges in the Presidency also. Only Bombay and Poona have more than one College each, Bombay having three and Poona two. No suggestion has ever been made that any College encourages a spirit of low rivalry such as is justly objected to by the Universities Commission in their Report: there is of course room, and great room, for improvement in the Bombay Colleges; but that is, in reality, a question of men and means, and this Bill has no connection with it. Again, it cannot be urged with any regard for fairness that the Bombay Senate has ever attempted to lower the standard of efficiency or discipline. On the other hand, it has steadily striven to raise its standards for the different examinations. Thus, taking its work in the Faculty of Arts, we find that it has extended the old course of three years between Matriculation and B. A. to four years: substituted two examinations in place of the old F.E.A., made History and Political Economy compulsory subjects in the B.A., and raised considerably the standard of English and the classical languages required for the several examinations. In all matters relating to courses of instruction and the selection of text-books it has invariably followed the advice of educational experts. So far as I know, there have been only two occasions of importance on which there has been a difference of opinion between a majority

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of European educational experts and the general body of the Senate, but these were matters not specially falling within the particular sphere of the experts, and in regard to both of them I think the Senate was right in its decision. One such occasion was when the Deans of the several Faculties were made *ex officio* members of the Syndicate. Though the experts opposed this reform at the time, they themselves admit now that it has proved useful. The second occasion was when an attempt was made to introduce examinations by compartments, after the Madras system. The reform was recommended by a Committee which included two European educationists—Dr. Peterson and the Rev. Mr. Scott; but a majority of European experts in the Senate, opposed it and though the proposal was carried in the Senate it was subsequently vetoed by Government. But whatever difference of opinion there may be about the soundness or unsoundness of the proposal, I think it is absurd to describe it as an attempt to lower the standard of University education. It may be asked why, if the state of things has on the whole been so satisfactory in Bombay, so many of the European educationists there are supporting the Bill. The answer to that, I think, is simple. By this Bill the Government of India go out of their way to make a present of a permanent monopoly of power to European educationists, and it is not to be expected that they should raise any objection to such a course. One of the strongest supporters of this Bill on our side is our present Vice-Chancellor. He was a member of the Universities Commission and has signed the Commission's Report. Well, twelve years ago, when an attempt was made by the Bombay University to secure an amendment of its Act of Incorporation, Dr. Mackichan took a most active part in the deliberations of the Senate. And he then was strongly in favour of fixing the number of Fellows at 200, of giving no statutory recognition to the Syndicate with or without a Professorial majority, and of leaving a large measure of independence to the University. Of course, he has every right to change his views, but that does not mean that those who now hold the views which he so strongly advocated twelve years ago are necessarily in the wrong. My Lord, it is true that certain educational experts have in the past exercised a commanding influence in the deliberations of our Senate, and it is also true that men who have succeeded to their places have not necessarily succeeded to that influence. But the great educationists who ruled our University in the past did so not merely because they were educational experts but because they were men bound to lead wherever they were placed. Such great influence has also, sometimes, been exercised by men not actually engaged in the work of teaching. Of the former class, Sir Alexander

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Grant and Dr. Wordsworth may be mentioned as the most shining examples. Of the latter class have been men like Sir Raymond West, the late Mr. Telang, the late Mr. Ranade and the Hon'ble Mr. P. M. Mehta—all lawyers, be it noted. Their influence has been due to their great talents and attainments, their sincere devotion to the cause of higher education, and their possession of that magnetic personality without which no man, however learned, can hope to lead even in a learned assembly. To object to the ascendancy of such men over the minds of their Fellows is really to quarrel with the laws of human nature. My Lord, I submit the Bombay Senate has not deserved to be extinguished in so summary a fashion as this Bill proposes, and I, therefore, move that the Bill be not extended to Bombay."

The Hon'ble MR. RALEIGH said :—" My Lord, the history of the proposal to deal with the five Universities in one Bill is briefly as follows. When the Commission was sitting we took the opportunity to consult the Judges and others who gave evidence on the question as to the form which legislation should take, if legislation should be required. The advice we received pointed in the direction of a repeal of the five Acts of Incorporation and the substitution of five new Acts for them. When I came to discuss the matter with my Hon'ble Colleague Dr. Gurudas Banerjee, it seemed to us undesirable to break so suddenly and so completely with the past. We set ourselves to discover whether it would not be possible to keep the original Acts of Incorporation with such tradition and sentiment as had gathered round them, and to provide for the constitutional changes that appeared to us to be required by means of a general amending Bill. In the case of the three older Universities the problem presented very little difficulty, because in those cases the original constitutions were almost verbally the same; the changes which the Commissioners were prepared to recommend were the same in each case; and there seemed to be no difficulty at all in legislating for them in one Bill. The two junior Universities stood upon a different footing. That part of my argument I propose to postpone until we come to the amendment which stands in the name of my Hon'ble Colleague Rai Sri Ram Bahadur. There was one point which the Hon'ble Mr. Gokhale made at the outset of his speech which I feel bound to take up. He has said, and a good many other people have said before him, that four of the five Universities are being sacrificed to Calcutta. There is a very general disposition in other Universities to say, this may be an excellent Bill for Calcutta, but we are much too good to require it. This is a view of the matter which, as Vice-Chancellor of the Calcutta University, I entirely decline to accept. We have teachers as good and students as good in Calcutta as any

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other University can show ; and the men we turn out hold their own in the competition of civil life with students of any other University. We admit perhaps we are sometimes too candid in admitting that there are defects in our organisation and that there are occasional abuses. But I say deliberately, and if necessary I can prove, that the same defects and even the same abuses are not unknown elsewhere. There is a great deal in my Hon'ble Colleague's account of his own University which I can cordially accept, and I will admit that if the Bombay University stood alone the case for a Bill of this character would not be so strong as it is. The Western Presidency has enjoyed the advantage of being led in educational matters by men not only of great ability but of great wisdom. These men have set a high standard of what a College in a University ought to be. The result is that the Colleges of Bombay are comparatively few, while their standard of efficiency is comparatively very high. But even in Bombay there is room for improvement. To take first the great City Colleges in Bombay itself. I regret to say that they afford a striking illustration of the evils which arise from assembling large numbers of students in Arts and Medicine without making any adequate provision for residence and discipline. Go through those Colleges and you will find that the most ambitious teachers in them are inclined to complain that a great deal of the instruction is of an elementary character such as really ought to be done in high schools ; that the standards of the University courses are in some points not high enough, and I have the authority of my Hon'ble Colleague Mr. Pedler for saying that this remark applies with special force to scientific instruction. The University of Bombay has made as yet no adequate provision for advanced study. All these are defects which I point out. Take any competent teacher in Bombay, and ask him why these vital questions are not brought up in the Bombay Senate, and he will tell you that the Senate is a body of three hundred gentlemen, the great majority of whom have had no practical connection with University work, and that the prevailing sentiment of that learned body is one of robust satisfaction with things as they are ; indeed, it is so difficult for the opinions of teachers who wish to make progress in any subject to get even a hearing in the Bombay Senate, that some of them ceased to attend the Senate or to speak in it because they see no chance of obtaining a hearing for their opinions. We propose now to give Bombay a working Senate in which the teachers of the University will have that share of influence to which they are justly entitled. My Hon'ble Colleague declines to co-operate with us in securing this reform, and so far as I can see he offers us no alternative. In his Note of Dissent, indeed, he says that we are beginning at the wrong end, and that we ought to begin by strengthening the Colleges. That, I may point out to my

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Hon'ble Colleague, is not a logical alternative. We ought to do, and I hope we are doing, all that we can to strengthen the Colleges in Bombay and elsewhere by getting teachers from Europe and in other ways, but when it comes to be a question of University standards no body knows better than my Hon'ble Colleague that the Colleges cannot do what they would wish to do.

"I will take my illustrations from the Fergusson College itself. The Hon'ble Mr. Gokhale will remember the evidence on behalf of that College which was given before the University Commission, and I will remind him specially of a very able written statement in which Mr. Paranjpye gave us with unflinching candour his estimate of Bombay University mathematics. It is to be hoped that the example of Mr. Paranjpye may induce the students of the Fergusson College to press beyond the requirements of the University course, but as things now stand Mr. Paranjpye has no power to do anything to improve the general standard of mathematical teaching in the University. We propose now to give Bombay a Senate in which Mr. Paranjpye will have the chance of raising the whole standard of mathematical teaching not only in his own College but throughout the University; and it is not for the first time that I must express great regret that we cannot carry the Hon'ble Mr. Gokhale with us in making what seems to me a very necessary and reasonable proposal."

The Hon'ble DR. BHANDHARKAR said:—"What I have to say on this point I intend to say on the last motion that the Bill be passed. Now, however, I may state generally, that I entirely disagree with what has fallen from my Hon'ble friend Mr. Gokhale. I do think the Bombay University does require reform. The state of things consequent on the peculiar composition of the Senate has been so bad that, when I heard of such a Bill as this being under consideration, I literally said to myself the day of deliverance had come. For the Senate has been in the hands of men who, following other occupations, do not understand much of real education but are actuated by other considerations. The matters of interest to them are other than educational, and consequently any real educational reform has no chance of being fairly considered so long as the state of things is what it is at present. I shall state more in detail in the speech that I am going to make, why it is that I consider that the Bombay Senate requires as much reform as any other. I know something of the Bombay Senate at first hand, having myself been a member for thirty-eight years, and of the Syndicate for eight years and Chairman of the Syndicate for two years."

The Hon'ble SIR DENZIL IBBETSON said:—"My Lord, it seems to me that it is impossible to consider this motion as an isolated motion, without

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reference to the fact that it is followed by two similar motions, one by the Hon'ble Nawab Saiyid Muhammad to exclude the University of Madras from the operation of the Bill, and the other by the Hon'ble Rai Sri Ram Bahadur to exclude the University of Allahabad from the operation of the Bill. In each case no doubt the argument will be the same as that which the Hon'ble Mr. Gokhale has put before us. Mr. Gokhale's argument is that the present constitution of the University of Bombay is so satisfactory, that the work done by the University under that constitution is so excellent, that there is no need, I will not say for any reform, but at any rate for such a large measure of reform as is provided for by the Bill before us. I may remark in passing that in support of that contention, he advances what seems to me the extraordinary argument that Dr. Mackichan entertained, twelve years ago, different views from those which he lately expressed—the natural deduction from which appears to me to be, that twelve years' experience of the working of the University at Bombay as at present constituted, has compelled an educational officer of authority and intelligence to abandon views which he held strongly before that experience, and has convinced him of the necessity of reform. At any rate, the Hon'ble Mr. Gokhale sums up his reasons for proposing to exclude Bombay from the operation of this Bill by asserting that the provisions of the Bill amount to an unjust condemnation of that University. I have no doubt that we shall be told the provisions of the Bill amount to an unjust condemnation of the Madras and Allahabad Universities; and I think that it is not impossible that if we had had an independent representative of the Punjab University on the Council, we might also have been told that the Bill amounts to an unjust condemnation of the Punjab University. Now I would ask the Council if we, its members, sitting round this table, are prepared to adjudicate upon the relative merits of the different Universities, to differentiate between them, to decide that Madras is worthy and Bombay unworthy, that Allahabad is worthy and the Punjab is not, that in one case the Bill is needed and in another case it is unnecessary. If not, then it seems to me that the only logical course before us is either to accept all these three amendments or to reject them all. Now I should like to call attention to the result which will follow if we accept them all. The fourth paragraph of the preamble to the Bill would read as follows:—

'And whereas it is expedient to amend the law relating to the Universities of British India except Bombay, except Madras, and except Allahabad.'

"That is to be given as one of our reasons for the legislation which this Council is asked to pass. If we were to accept these three amendments, it would simply reduce the Bill to a farce. And it would do more. It would

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make it invidious in the highest degree. I am a Fellow of the Punjab University, and had a good deal to do with its organisation in its early days ; and I suppose that I may regard myself as the representative of that University upon this Council. I do not propose to move that the word 'Punjab' be omitted from this Bill wherever it occurs ; but I do not for a moment admit that the Punjab University is in any way inferior to its sister at Allahabad, with which I compare it because the two Universities are run on the same lines ; and I do protest most strongly against anything which should suggest, with the authority of this Council at its back, that besides the Calcutta University, the Punjab University is the only one in India that is in need of substantial reform."

The Hon'ble MR. GOKHALE said :—"In replying to the speeches made on my amendment I would first deal with what has fallen from the Hon'ble Sir Denzil Ibbetson. The Hon'ble Member imagines that I have stated that the Senate of Bombay needs no reform whatever and that things are so satisfactory that everything ought to be kept as it is. I cannot charge my memory with having ever said any such thing. I have made two speeches in this Council and written a Note of Dissent. Nowhere have I said that the state of things in Bombay ought to be allowed to continue as it is and that no reform is needed ; but because I am not prepared to say that the state of things is wholly satisfactory, therefore it does not follow that I am bound to accept or approve of every suggestion of those who have undertaken the work of reform. As regards the complaint that we have no alternative remedy to propose, I submit, my Lord, that it is not a just complaint. As a matter of fact, Sir Raymond West, an eminent educationalist, had drafted a Bill for reforming the constitution of the Bombay University more than twelve years ago. This had met with the acceptance of a large number of persons interested in the work of education, and if reference is made to that measure Government will find that there is an alternative scheme, which would be generally acceptable. The Hon'ble Member says that if Dr. Mackichan has changed his views after twelve years, that is an argument in favour of this Bill. But when Dr. Mackichan expressed these views he had already been Vice-Chancellor of the University, and if a man's views are in a fluid condition, even when he has attained so high a position, I don't think that his change of views should carry so much weight as the Hon'ble Member seems inclined to attach to it.

"Then the Hon'ble Sir Denzil Ibbetson says that if this amendment is accepted and if some other amendment is accepted and if a third amendment is accepted, there will be very little left of the Bill. I for one will rejoice if the

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Bill is withdrawn altogether. We are not bound to pass a Bill as it stands simply because it will be useless if we do not pass the whole of it.

“With regard to what has fallen from the Hon’ble Dr. Bhandarkar,—the learned Doctor was my Professor at College and I cannot speak of him or of anything that falls from him except with great reverence,—I would ask him to state facts as well as opinions, which opinions would, I may remark, derive additional weight if based on facts. I would like to know what reforms in the course of instruction were proposed by the experts and resisted by the lay members of the Senate.

“The Hon’ble Mr. Raleigh, to whose appreciative remarks about the Bombay University I listened with great pleasure, takes the same view as Dr. Bhandarkar, and he says that he was told by certain educational experts and Professors in Bombay that it was hopeless to get a hearing for any matter of educational reform at the meetings of the Bombay Senate. My answer to that is what I have already given to Dr. Bhandarkar. I would like to know the instances in which this occurred, because facts in this controversy are of more value than mere statements: I would like to know in how many cases attempts were made to introduce measures of reform by the experts, and in how many they were defeated in their attempts by the opposition of the non-expert element.

“If these men merely stayed at home and thought that no reform that they proposed was likely to be accepted, and if in consequence they did not attend the meetings of the Senate, I think that their position there was not quite justified. A member should not sit quietly at home under the impression that he would not get a hearing, and he failed in his duty unless he took active steps to introduce any measure of reform. The Hon’ble Member referred to Mr. Paranjpe of my College and to the evidence he gave when fresh from England. I shall be delighted if the Bombay University allows men like Mr. Paranjpe to regulate their courses of mathematical instruction, but I have here the authority of my friend Dr. Mukhopadhyaya that it is difficult to get the Calcutta University to revise its mathematical courses of instruction because of the opposition of the experts. As a matter of fact, the strongest opposition to reform very often comes from men who are themselves teachers, whose standard is not very high, who are unwilling to read new books and who object to leaving familiar grooves. It is the professors of the Bombay Colleges that have for

[*Mr. Gokhale*; *Nawab Saiyid Muhammad*; *Mr. Raleigh*. [18TH MARCH, 1904.]

many years practically ruled the Syndicate, and I would like to know how often they used their power to effect reforms which they now say they have long been anxious to introduce."

The motion was put and negatived.

The Hon'ble NAWAB SAIYID MUHAMMAD moved that from the preamble the word "Madras", wherever it occurs, and the reference to Act XXVII of 1857 be omitted, and that the words "except Madras" be added after the words "British India". He said:—"My Lord, in moving that the Madras University be eliminated from the scope of this Bill I have been guided by the consideration that neither the evidence taken by the Universities Commission in Madras nor the Report of that body contains any satisfactory proof that that University, as at present constituted, has failed to fulfil the object for which it was established. A reform is justifiable only when there is an evil to be removed. Whatever may be said of any other University in India, there is nothing to indicate that the Madras University has proved a failure in any respect. I will not attempt to dwell at great length on this point by giving a list of the many eminent men this University has produced, or indicating the manner in which the *alumni* of the Madras University have distinguished themselves in many professions and paths of life, in letters and in affairs. The University and its governing body deserve well of the Government, and the weight of evidence does not support their supersession by another constitution and a new University."

The Hon'ble MR. RALEIGH said:—"My Lord, it is obviously impossible for me to deal fully with the question raised in regard to the evidence before the Commission, but I can say with some confidence that the evidence taken by the Commission in regard to Madras presented the same general characteristics as the evidence which I have already mentioned in speaking of Bombay. No doubt, a very large amount of most excellent work has been done in the Southern Presidency, and when remarks are made at this Board as to our passing a wholesale condemnation on this or that University, I wish to dissociate myself from anything of the kind. There is a great deal in the work of the Madras University which commands my cordial admiration, but when my Hon'ble Colleague refers to the evidence I think he must have forgotten the evidence of some of the leading men in Madras, and I will mention more especially Sir Bhashyam Aiyengar, who put before the Commission in the most serious way his opinion that the standards of the University for its

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ordinary degrees were inadequate and that enough was not being done for advanced study and for the encouragement of learning. So strongly did Sir Bhashyam feel this that he laid before the Commission, if I recollect rightly, propositions which were considerably more revolutionary than anything which the Commission ultimately saw their way to recommend. For the general part of my argument I must be content to refer to what I said in reply to the Hon'ble Mr. Gokhale; but I would ask my Hon'ble Colleague to consider that whatever opposition there may be to this Bill in Madras we are entitled to say that, if votes must be weighed as well as counted, we can claim the support of those men who are best entitled to be heard in any University question in Madras. That University was represented in the Commission by two members, by our late Colleague the Nawab Syed Hossain Bilgrami and by Dr. Bourne, who has since become Director of Public Instruction. I claim them both as convinced supporters of the policy of this Bill. And there is another name which I cannot deny myself the pleasure of quoting. There is no man who has a better right to speak for the cause of education in Madras than Dr. Miller of the Christian College, and as we all know if Dr. Miller thinks the Government is wrong he never has any scruple about telling the Government so in unequivocal terms. Dr. Miller, subject to certain observations which have been duly considered by the Select Committee, warmly supports this Bill, and says that he thinks it will do a great deal of good. I venture to set the opinion which I have quoted against what my Hon'ble Colleague has said, and I hope the Council will reject this amendment."

The Hon'ble MR. BILDERBECK said:—"My Lord, a predecessor of my Hon'ble Colleague, the learned Member in charge of this Bill, has immortalized for us the heroic defence of 'the dauntless three' on Tiber bridge, and I think Macaulay's successor has been in some way instrumental in creating for us a very similar scene in this Council chamber. For Horatius and his gallant companions put our three Hon'ble Colleagues the movers of the amendments in Nos. 4, 5, 6 of the Agenda paper, and for the bridge over the Tiber put the preamble to this Bill, and I think there is some justification for the analogy. I only fear that there may be still more in the analogy than first suggests itself, for, from the language that has been employed on various occasions, it would appear as if some were under the impression that the cause of liberty and independence is again being defended against a Tarquin and a Porsena, masquerading in the guise of a Government of India. I take it that in this motion and its congeners a final heroic effort is being made to wreck the Bill and check the inroad of tyranny.

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[*Mr. Bilderbeck.*]

"If my Hon'ble Colleague Nawab Saiyid Muhammad had, at some earlier stage of the Bill, moved that Government should be respectfully requested to re-consider its determination to introduce a Bill which took into its purview all the Indian Universities and to substitute for this a group of Bills dealing with the different Universities individually, I must honestly confess that I should have found considerable difficulty in making up my mind whether or no it was my duty to support him, for there can be little doubt that the arguments that may be advanced against a general Bill are many and weighty. When, however, a motion like the present one is brought forward at the eleventh hour, and when no satisfactory reasons for this action seem to be forthcoming, I think there is no need for hesitation on my part in both speaking and voting against the motion.

"It must be remembered that the proposal for a general Act was made by the Universities Commission nearly two years ago, and that the Bill itself has been before the Council since the 4th November, 1903. Ample time has, therefore, been at the disposal of those who may have wished to move formal proposals for the modification of the Bill.

"So far as I am aware, no objection on account of its comprehensive character has been raised against the Bill by the Government of Madras, and from intimate personal knowledge I can say that, whatever may have been the views on the subject of individual members of the Senate of the Madras University, this Senate, as a whole, passed no resolution condemning the inclusion of Madras within the scope of the Bill, when it was called upon to consider the recommendations of the Universities Commission. It is, however, only fair to add that the Madras Senate has not had the opportunity of discussing the provisions of the Bill in its original form.

"My Lord, I am of opinion that the Bill contains several important and necessary provisions and embodies principles which, if the University of Madras had formed the subject of a separate legislative enactment, would have found place in such an enactment. No other result could have been expected after Your Lordship's declarations as to the educational policy of Government and after the Universities Commission had submitted its report. There are many in Madras who think that, except in the matter of the reconstruction of the Senate and of the provisions that give to Government large powers of intervention in the affairs of the University, there is not much in the Bill that can be called revolutionary, or is calculated to effect any serious disturbance in the existing order of things. The resemblance of some of the provisions of the

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Bill to the regulations of the Madras University carries with it the sincerest form of flattery. It follows, therefore, that in respect to a considerable part of the Bill, there is not much to which exception could be taken in Madras. The question of the reconstitution of the Senate is a very different matter. My Lord, I believe there is no part of the Bill that has so powerfully operated in provoking a spirit of criticism and opposition as the provisions which relate to the reconstruction of the Universities. Making, as they do, a clean sweep of all existing Senates without distinction of places or persons, these provisions invade many imagined vested interests and cannot but cause widespread mortification among individuals who attach considerable value to the possession of a Fellowship and who, in many instances, have conscientiously and efficiently discharged their duties as Fellows. It is impossible not to feel sympathy with those who regard themselves as the victims of unjust treatment, but, as it is equally impossible to believe that Government could have failed to anticipate or been callously indifferent to the natural results of its proposals, fair-minded criticism must conclude that the policy under reference has been deliberately adopted only because Government could not see its way to devising a scheme which, while it took into account the susceptibilities of individuals, would at the same time meet all the conditions and necessities of the difficult and all-important problem of remedying the defects and improving the efficiency of the Universities in India. In respect to the reconstitution of Senates, the Bill embodies provisions for the improvement of University systems which, it seems to me, are as applicable to the case of Madras as to other Universities; but I here only touch upon the question, as I hope to have the opportunity of dealing with it more fully at a later stage of the debate."

The Hon'ble SIR ARUNDEL ARUNDEL said :—" It is surprising that the Hon'ble Saiyid should desire to exclude the Madras University from the purview of the Bill, for I did not gather from his speech on the introduction of the Bill that he was opposed to the principle of it, though he desired modifications in detail. To my mind one of the greatest improvements that will be effected by this Bill when it becomes law, will be the reform of the Senates in the reduction of the numbers to maximum of 100 Ordinary Fellows, in the limitation of tenure of a Fellowship to a term of years, and in the efficiency that must result from the care that will inevitably be taken in the appointment of the Fellows whether by election or by nomination.

" Now, as the Hon'ble Member speaks on behalf of the Madras University,

I cannot understand how he can set aside the great weight of expert opinion in favour of this most important reform.

“The Revd. Dr. Miller, who entirely approves of the general tenor of the Bill and also of the reduction of the number of Fellows to 100 so far as the needs of the present are concerned, expressed the opinion that the Senate was too large, and would be even if all its members were efficient.

“The Rev. Father Sewell, who considers the provisions of the Bill calculated to give general satisfaction to all those who have the interests of education in India at heart, said :—

‘The Senate is a very unwieldy body and needs to be reformed. Fellows have been nominated on account of some special distinction or because Government wished to reward them for services to the State.’

“Mr. Saththianandhan, Professor of Mental and Moral Science at the Presidency College, a graduate of Madras and also of Cambridge, says there is a feeling that the Senate is too large and has very little to do with the working of the University.

“Mr. G. Subramania Iyer, a Graduate, Editor of the *Madras Standard*, said that steps should be taken to diminish the number of Fellows. Although a drastic step it would be well to declare that after five years the present Fellows should vacate their appointments, and that fresh nominations should be made by the Government to start with and all subsequent nominations by the Senate and the Graduates. The total number of Fellows should not exceed 60 or 70, including 20 non-official members.

“The Revd. J. Cooling, of the Wesleyan Mission, said :—

‘There is some ground for the complaint that the Senate is too large and that some of the Fellowships are given by way of compliment. It is expedient to make the Fellowships terminable. The total number for Madras should be from 100 to 120.’

“Sir V. Bhashyam Iyengar, Judge of the High Court, said :—

‘The Senate has become very unwieldy. The present Senate should be dissolved, and the numerical strength fixed at a minimum of 30 and a maximum of 50, with certain *ex officio* members over and above these. The whole body should be dissolved and the first nomination of Fellows should be by Government.’

“I have quoted the opinions of three most experienced educationalists representing European Missions, representing the Presbyterians, the Roman Catholics and the Wesleyans, and of three representative Indians, a newspaper editor, a College Professor and a distinguished High Court Judge, and could

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add many more, together with the general weight of official evidence in the same direction. As regards the vital reform of the Senate of Madras, no less than of the other Universities, I do not see how it is possible to set aside such a weight of disinterested evidence. I was myself member of the Senate for twenty years, and would add my own testimony in favour of reform, while at the same time I am glad to be able to say here that I retain a sincere respect for the high tone that ordinarily characterized the discussion in the Madras University Senate, and I know that the Syndicate to which for a time I had the honour to belong, was usually a thoroughly businesslike and efficient body of men. I may safely concede to my Hon'ble friend that if the Madras University had been the only University in India, there might not have been the same urgency for legislation that now exists, though the defects that characterize it in common with the other Universities would have had at some time or other to be removed. It would be a grievous mistake if they were not removed now."

The motion was put and negatived.

The Hon'ble RAI SRI RAM BAHADUR moved that from the preamble the word "Allahabad" and the reference to Act XVIII of 1887 be omitted, and the words "except Allahabad" be added after the words "British India". He said :—"My Lord, the University of Allahabad was established in November 1887, and is now more than sixteen years old. The framers of its Act of Incorporation had the experience of the older Universities before them, and took good care to remove the shortcomings and avoid the pitfalls of the enactments relating to those Universities. The United Provinces had at that time the good fortune of having at the head of their administration Sir Alfred Lyall, a statesman who, by his scholastic attainments, long connection with the country, and the knowledge of the requirements of the people, was eminently fitted to carry out the work of establishing a University for those Provinces, and to provide it with a suitable and proper constitution. During the sixteen years that this Act has been in working, it has not been stated that its provisions have been found defective in any way in advancing the cause of high education in those provinces. The public expected that for introducing such sweeping and revolutionary changes in the existing constitution of the University, and its *modus operandi*, as we find in the Bill, the Government should have given some reasons in justification of the step taken by them. The Government have not taken the public into their confidence in this respect, and withheld the publication of the deliberations of the Simla Conference, to which the Indian public generally attribute the adoption of the policy of which they consider this Bill to be one of the results. So far as the

Allahabad University is concerned, neither the speech of the Hon'ble the Law Member, delivered at the time of introducing the Bill, nor the Statement of Objects and Reasons, does throw any light why such wholesale alterations in the most important provisions of the existing law have been considered necessary by Government.

“ My Lord, in the United Provinces there is a consensus of opinion that no changes in the present University Act are called for; that that Act already provides for the attainment of many of the objects contemplated in this Bill; and that the provisions of this Bill, instead of advancing the cause of high education, will act in a retrograde direction.

“ The Syndicate entertain the fear, writes the Registrar of the Allahabad University under the direction of the Syndicate, in his letter addressed to the Local Government,—

‘ that the Bill, if passed into law as it stands, might seriously injure and would certainly not benefit this University. The changes proposed in the appointment of the members of the Senate, and still more those proposed in the constitution of the Syndicate, would amount to a retrograde movement in the case of this University, and would result in positive harm to its work and interests.’

“ The Sub-Committee of the Syndicate of the University, to which the Bill was referred for opinion, after taking it into careful consideration, expressed their opinion

‘ that its provisions would injure and not benefit this University, and (they) should ask that this University be excluded from its operation, seeing that the Bill is in places superfluous, and in others is in conflict with the present Act ** and the proposed reconstitution of the Syndicate will be a retrograde movement, and would in the main be seriously detrimental to the work and interests of this University.’

“ My Lord, these are not the cries of the ‘discontented B. A.’ nor of the dissatisfied agitator, nor of persons interested in educational institutions started on the so-called commercial basis; but the deliberate opinion of the members of the sub-committee consisting of (1) the Hon'ble Mr. Justice Knox, of the Allahabad High Court, whose experience of this country as a civilian dates back from 1865, who has been a member of the Senate for the last twelve years and is Vice-Chancellor of the University, (2) the Hon'ble Mr. Conlan, Barrister-at-Law, whose experience of the country extends over a period of more than forty years, who has been a member of the Senate since 1889, and (3) Dr. Thibaut, a scholar of European celebrity and head of the premier Government College in the United Provinces and a member of the Senate since 1889. The Local Government has characterised the opinion of the Syndicate as ‘the best

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available expert opinion on the Bill, in its bearings on the Allahabad University' and has expressed concurrence with it.

"The heads of some of the aided Colleges also have expressed views similar to those of the Syndicate.

"The Graduates Association, representing the educated Indian public in general and the Graduates of the United Provinces in particular, has expressed its views against the provisions of the Bill; and so has the Vaishya Mahasabha, an association representing an educated and influential community in those Provinces.

"My Lord, the principal provisions of the Bill, so far as they have a bearing on the Allahabad University, fall into the following three categories: first, those which do already exist in the Act of 1887 or in the rules made thereunder and are therefore a surplusage; second, those which contemplate a radical change in the constitution of the Senate and especially in that of the Syndicate. With regard to them it is submitted that, according to the general opinion, those changes are not only uncalled for but, if introduced, will result in positive harm and will in no way benefit the University. Thirdly, those whose effect will be to leave the Senate a governing body in name only, with a curtailed independence and diminished representative character, and invest all the powers in Government and make the University only one of its departments.

"My Lord, whatever may be said with regard to other Universities, the Allahabad University, from its past history, shows that it does not in any way deserve such treatment. It should be left alone, and Government ought not to force on it a legislation the effect of which, as remarked by the Syndicate, would be to impede its 'progress in directions in which it has advanced with benefit to all whose interests are concerned, in order that the University may be brought into line with other Universities which may not have made similar advance, merely for the sake of surface uniformity.'

"My Lord, the principles underlying this Bill have, at the meeting of this Council on the 18th December last, been described by Your Excellency to be—

'(1) to raise the standard of education all round and particularly that of high education, to apply better and less fallacious tests than at present exist, to stop the sacrifice of everything in the Colleges which constitute our University system, to cramming;

'(2) to bring about better teaching by a superior class of teachers;

- ' (3) to provide for closer inspection of colleges and institutions which are now left practically alone ;
- ' (4) to place the government of Universities in competent, expert, and enthusiastic hands ; to reconstitute the Senates, to define and regulate the powers of the Syndicate ;
- ' (5) to give statutory recognition to the elected Fellows, who are now only appointed upon sufferance ;
- ' (6) to show the way by which our Universities, which are now merely examining Boards, can ultimately be converted into teaching institutions."

" My Lord, the soundness of these principles cannot be disputed, but the question which requires examination is whether any new legislation on these lines is required for the University of Allahabad.

Now, my Lord, the first object, *i.e.*, the raising of the standard of education, can be attained by the Universities by exacting a higher test of knowledge under the powers they already possess under the present law, and no fresh legislation is required. As to putting a stop to cramming, so long as the system of examinations at present in vogue is not materially improved, much cannot be done to stop it. If for an examination of such a superior nature as that for the Indian Civil Service the help of 'coaches' of the class of the late Mr. Wren is brought into requisition by the would-be examinees, the Indian student surely is not the only one of his class who resorts to cramming to get through his examination.

"The bringing about of better teaching by a superior class of teachers can be effected by improvement in the methods of appointment of the members of the tuitional staff, and by increasing the remuneration to be paid to them, which resolves itself into a question of ways and means. It is the allotment of liberal funds for this purpose and not legislation which can bring about the wished-for result.

"Section 17 of the Act and the regulations framed under it invest the Allahabad University with sufficient power to exercise close inspection on the institutions affiliated to it. These regulations do also provide as to the conditions which an institution applying for affiliation must fulfil, and the requisite qualifications which it must possess, before its application can be granted. And, if anything, the Allahabad University has been, in the exercise of this power, more strict than the other way. My Lord, Collegiate institutions started purely on the so-called commercial basis are unknown in my Province, and there is no apprehension of their coming into existence for some time to come.

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“With regard to the competency and enthusiasm of the body in whose hands the Allahabad University has been for the last sixteen years, no question has anywhere been raised.

“The Senate of the Allahabad University is composed of four classes of Fellows:—first, the *ex officio* ones whose number given in the Calendar is 17, but as the Principals of the Muir and Queen’s Colleges appear by their names in other classes, their number is 15, and they are the Chief Justice of the Allahabad High Court, the Chief Commissioner of the Central Provinces, the Agent to the Governor General in Rajputana, three Secretaries to the Local Government, four Commissioners of the four important divisions, heads of the Educational Departments of the United and Central Provinces, the Bishop of Lucknow and the Principals of the Thomason College, Roorkee, and the Dehra Forest School.

“Then come the Fellows appointed at the time of the passing of the Act and whose names are given in the Schedule to the Act. By death or retirement their number is now reduced to 7. Of course no increase in the future is possible in this class.

“The third class consists of Fellows nominated by the Chancellor. Of the total number of 42, 30 are Government officials, and only 12 non-officials. Of these 42, 14 represent the educational interest, being either officers of the Educational Department, or members of the tuitional staff of Government or aided institutions. The above figures will show that the non-official element in no way finds a preponderance in the class of Fellows appointed by the Chancellor. On the contrary, it is in a very considerable minority.

“Coming now to the fourth class, *i.e.*, those elected by the Senate, their number at present is 42. Of these, 11 are Government officials, 9 belonging to the Educational Department. Of the remaining 31, 21 are connected with the different educational institutions affiliated to the University, thus leaving only 12 who are not officials and do not represent the educational interest. The above figures tell a good deal in what way the power of election has been exercised by the Senate during the period of the last fifteen years. The result is that of a total number of 106 Fellows of all classes, no less than 52 are persons, officials and non-officials, representing the educational interests; 32 Government officials, including the Chief Commissioner of the Central Provinces, Agent to the Governor General in Rajputana, Judges of High Court, etc., etc. These two classes make up the total of 84, leaving only 22 non-officials and not connected with education. The educational interest is thus represented by nearly half the number, and the

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Government officers forming a little less than one-third, leaving a little more than one-sixth of the total number to represent all sections of the community in a Province having a population of nearly 48 millions.

“My Lord, no complaint has ever been raised either by the Government or by the public against the capacity or enthusiasm of the Senate, nor have any defects been pointed out in its management of the University.

“My Lord, since its very establishment, the Senate of the Allahabad University has enjoyed the statutory privilege of electing Fellows, equal in number to those appointed by the Government. These Fellows are not appointed upon sufferance, but in the exercise of a statutory power conferred upon the Senate by the Act of Incorporation. The constitution proposed in the Bill will be a retrograde step, as it will for no reason alleged limit the power of election to only 15 Fellows by the Senate, the Graduates and the Faculties, all put together; thus reducing the proportion of the elected Fellows to one-fifth only of the total number. Surely, my Lord, this cannot be called a forward step. Still this radical change, which involves such a curtailment of the right of election, and consequently reduces the chance of adequate representation of the different classes of the community, is intended to be introduced into the United Provinces, notwithstanding the remark of the Hon'ble Mr. Raleigh made in his speech at Simla, that there is no complaint as to the results of the rule under which elections have been made by the Allahabad University.

“The remaining object which it is said the Bill will accomplish is converting the Universities gradually into teaching institutions. My Lord, this is a subject on the utility of which opinions differ; and the Hon'ble Mr. Raleigh, in his speech delivered at the time of introducing the Bill, has not taken a very hopeful view of the matter, because, as explained by him, the schemes submitted before the Universities Commission ‘were for the most part rather vague, and some of them involved an expenditure which Government is not in a position to face.’ The Hon'ble the Law Member went on further to say that the ‘problem must be worked out gradually with due regard to the interests and the sentiments of the Colleges concerned.’ My Lord, if this scheme be ever launched, want of legal powers in the Allahabad University could never be in its way, as the present Act amply provides for it. ‘In Act XVIII of 1887,’ says the Report of the Universities Commission, ‘the recitals and provisions, which have sometimes been construed as restricting the older Universities to the functions of examining bodies, are not repeated. There is, therefore, no doubt as to the legal power of the University to assume the functions of a teaching

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body.' Further on, section 17 empowers the Senate to make rules also on this subject. If sufficient funds be placed at the disposal of the University, classes for post-graduate studies can at once be opened without any difficulty.

"But, my Lord, the finances of that University are in a deplorable condition. No Government grant whatever is given to it. Expenditure is increasing with the increase in the number of examinations held; its receipts are, on the other hand, diminishing from year to year, and the amount of closing balance is being rapidly reduced. It is hoped that a portion of the annual grant of five lakhs, promised by Government, will be given to the Allahabad University to relieve it from the pressing necessities.

"My Lord, I hope I have been able to show to the Council that the existing law governing the Allahabad University makes ample provisions for everything which is required at present and which can be reasonably desired in order to improve high education in the provinces within its sphere of action, and that any interference with the present constitution of the Senate or of the Syndicate will not be progressive but a retrogressive measure, and that the officialisation of the University will in no way tend to advance the cause of high education. I should not, my Lord, be understood to contend for a moment that our present University Act is a perfect piece of legislation—no human law can be so—and does not require any modifications. But such modifications, if any, should be made by a separate enactment and in a different shape and not in the way this Bill proposes to do.

"For these reasons I move the amendment standing in my name, the effect of which if carried would be to take the Allahabad University out of this Bill."

The Hon'ble MR. RALEIGH said:—"My Lord, when the Commission was sitting at Allahabad we found much reason to congratulate the United Provinces upon the excellent work that had been done by the University in the sixteen years of its existence. With all that my Hon'ble Colleague has said on that head I have the pleasure to agree; but when he says that there is a consensus of opinion that the present constitution is a satisfactory one I must beg to differ, because I can well recollect the evidence of certain persons, whose opinion on any question touching that University would carry great weight, to the effect that the present position of the Allahabad Senate is by no means a satisfactory one. The Senate, however distinguished the individuals of whom it is composed, is a body so constituted that its opinion is not valued, and is very frequently not taken upon questions that concern the University. We have just had a

[*Mr. Raleigh; Mr. Morrison.*] [18TH MARCH, 1904.]

striking illustration of that, because during the last two years, while the older Universities have been debating the recommendations of the Commission and the provisions of this Bill with great vigour in their Senates, while we have before us full reports of what was said on both sides, reports from which we gather valuable instruction in regard to the manner in which this piece of legislation ought to be framed, the Allahabad Senate has not been consulted upon the point, and the document which my Hon'ble Colleague quotes is merely a letter from the Syndicate. I agree that the Syndicate as at present constituted has deserved well of the Allahabad University. But the predominance of a Syndicate containing so large an *ex officio* element is not without its drawbacks, and with a view to the future extension of University work there is much to be said for the proposal to give the University a working Senate. For this and for other reasons which were brought before us at Allahabad we came to the conclusion that in framing proposals for legislation the University of Allahabad could not possibly be left out, and though I am far from making light of the demonstrations of local opinion to which my Hon'ble Colleague has referred, I must give due weight to all the facts of the case. In my judgment and in the opinion of others with a better right to speak about Allahabad than I have it would be the greatest possible mistake to leave the youngest of our Universities out of this Bill, and the constitution we propose for it is better adapted to the needs of a growing University than the one it now has. To complete this part of my argument, I may say that the reasons for including the University of the Punjab in the Bill are the same as in the case of Allahabad. I cannot accept this amendment."

The Hon'ble MR. MORISON said :—" My Lord, I am inclined to agree with the Hon'ble Member that it would have been preferable to have had a separate Bill for each University ; but I cannot for that reason support this amendment. I would rather have this Bill than no reform at all. The objection to a general Act dealing with five Universities at once is that such an Act may warp or arrest a natural local development suitable to the environment, but I think now that the Bill is redrafted that danger has been successfully avoided and there is no characteristic of the Allahabad University which is now in danger of being obliterated.

"The chief reason for the antipathy felt in Allahabad to the draft Bill was due to the proposed constitution of the Syndicate ; we objected to being compelled to adopt an unfamiliar method of selecting our Syndicate ; but section 15 has been redrafted in Committee and is, I believe, now elastic enough to include the form of Syndicate which is there preferred. I therefore no longer see any

[18TH MARCH, 1904.] [*Mr. Morison ; Mr. Gokhale.*]

reason for postponing the reforms which this Bill offers, and I should not be doing my duty to the Allahabad University if I did not bear testimony to the fact that it is quite the best University in India. But that is the very reason why I support this Bill. I do not think that the good Universities have anything to fear from this Bill."

The Hon'ble MR. GOKHALE said:—"My Lord, I have really no special knowledge of the state of things in Allahabad, but my curiosity has been aroused by the Hon'ble Mr. Raleigh's speech, and I trust Your Lordship will excuse a brief intervention on my part in this discussion. The Hon'ble Member says that when the Commission took evidence in Allahabad certain witnesses gave evidence to the effect that the state of things there was not quite satisfactory. Now I would really like to know who these mysterious advisers of the Commission were. They could not have had much weight with the Government, since the Government of the United Provinces has expressed its disapproval of this Bill. They could not be men holding prominent positions in the educational world, since their most prominent educationists are members of the Syndicate, and the condemnation of the Bill by the Syndicate is described by the Registrar to be unanimous or nearly unanimous. They could not also be representatives of the general public, since the Graduates' Association, as representing the views of the general public, has expressed its disapproval of this Bill. If certain stray witnesses gave evidence to the effect that the state of things in Allahabad was not satisfactory, surely neither the Commission nor the Government of India were justified in placing that above the opinion of the Local Government and of the educational experts.

"My Lord, this question really raises another much larger question, and that is, are the Supreme Government justified, not legally because they have the power legally, but morally, in overriding the wishes of the Local Government? The Supreme Government in this matter is merely a representative of authority: it is not a representative of educational knowledge or learning, though in the present case particular members of the Government may occupy distinguished positions in the educational world. And as the Government of India only represents authority, and this authority has been delegated for local purposes to the United Provinces Government, when that Government is opposed to a measure like this, I think the Government of India has no moral right to impose a measure like this upon those Provinces.

"There is another point about which I would say a word—and that has been suggested to me by the course of this discussion—in support of having one and the same Bill for all these different Universities. That argument seems to me to be moving in a vicious circle. We are asked to pass this Bill, for all the five

[*Mr. Gokhale ; Sir Denzil Ibbetson ; Rai Sri Ram* [18TH MARCH, 1904.]
Bahadur.]

Universities together, but we are practically told that if each University had stood by itself, such a Bill would not have been introduced in its case. Thus the Hon'ble Mr. Raleigh has told us that had the Bombay University stood alone, such legislation as the one proposed would not have been undertaken. He also says that the Calcutta University is as good as any other. Then Sir Arundel Arundel tells us that if Madras alone had been affected by the Bill it would not have been required; the Hon'ble Sir Denzil Ibbetson protests that the Punjab University is not a whit behind any others; and lastly, Mr. Morison says that the Allahabad University is really the best of all Universities. I would really like to know then which University it is whose sins have brought down upon the heads of all the wrath of the gods."

The Hon'ble SIR DENZIL IBBETSON said :—" I should like to say one word upon a remark made by the last speaker. The Hon'ble Mr. Gokhale said that the Government of India only represents authority. I absolutely deny that. The Government of India represents very much more than authority. It also represents responsibility—responsibility for the proper use of its authority which follows from the very possession of that authority—a responsibility which it would be abrogating its highest duty if it did not discharge it to the full. It is true that it delegates authority to Local Governments; but it delegates that authority subject to its own control; and it is essential to the due discharge of its responsibility that it should exercise that control wherever it considers that a case is made out for its exercise."

The Hon'ble RAI SRI RAM BAHADUR said :—" With regard to the remark made by the Hon'ble Law Member that there were witnesses who expressed opinions against the present working of the Senate of the Allahabad University, as their names are not disclosed, I have nothing to say. I have been anticipated in my other remarks by Hon'ble Mr. Gokhale. It has been said that the opinion that we have before us is the opinion of the Syndicate only and not of the Senate. It was no fault of the Senate that they gave no opinion on the subject, as the Local Government chose to consult the Syndicate only. Therefore, the Senate had not even an opportunity of expressing their opinion in their matter. The Hon'ble Mr. Morison will bear me out on this point.

" Then it has been said that we have here an opinion of a Syndicate only, and we do not know if there were any dissentient voices. My Lord, in the opinions submitted by the Government of the United Provinces we have the resolutions actually passed by the Syndicate, and these resolutions are given in the proceedings. There we do not find anything to show that anybody raised a dissentient voice with regard to the general conclusions arrived at

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by the Syndicate. So far as the proceedings show, we find that the resolutions were passed unanimously.

“ Then the Hon’ble Mr. Morison has said that the reconstitution as now proposed in the amended Bill will remove many of the objections taken by the Syndicate as well as by the Local Government and the general public of the United Provinces. It may be so with regard to the Syndicate, but with regard to the Senate I find that there was general expression of opinion that this Bill if passed into law will curtail rights which have been enjoyed by them, and that the Bill will not be considered a wholesome measure in that respect, and in my opinion the Bill is open to the same serious objection as before.”

His Excellency THE PRESIDENT said :— “ I need only make one observation in reply to the parting shot of the Hon’ble Mr. Gokhale, and it is this. He thinks that he has placed us in a dilemma. I do not myself admit its existence. The fact is that everyone at this table recognises at the bottom of his heart, in the case of his own University, that it stands very much in need of reform ; and he is really only too glad, subject of course to modification in particulars, that this Bill is going to be applied to it ; but each Hon’ble Member, inspired by a patriotism that does him credit, but which must be taken with a certain discount by other Hon’ble Members, has thought it his duty to point out that his University is not the particular culprit that has brought down this piece of legislation upon the heads of all the other institutions. That is really, I think, the answer to the Hon’ble Member’s question.”

The motion was put and negatived.

The Hon’ble DR. ASUTOSH MUKHOPADHYAYA moved that in clause 4, sub-clause (1), head (e), the following be added after sub-head (i) as sub-head (ii), the existing sub-heads (ii) and (iii) being re-numbered (iii) and (iv), namely :—

“ (ii) elected by registered Heads of, or Professors in, Institutions affiliated to the University, and University Professors and Lecturers, if any.”

He said :—“ This amendment, standing by itself, is hardly intelligible, and it has to be read with the following connected amendments, which contain my whole scheme for election by Professors :—

“ That in clause 6, sub-clause (1), after head (a) the following be inserted as head (b), the existing heads (b) and (c) being re-lettered (c) and (d), namely :—

‘ (b) ten shall be elected by registered Heads of, or Professors in, Institutions affiliated to the University and University Professors and Lecturers.’

[*Dr. Asutosh Mukhopadhyaya.*] [18TH MARCH, 1904.]

“That in clause 6, sub-clause (2), after head (a) the following be inserted as head (b), the existing heads (b) and (c) being re-lettered (c) and (d), namely:—

‘(b) five shall be elected by registered Heads of, or Professors in, Institutions, affiliated to the University and University Professors and Lecturers.’

“That after clause 7 the following be inserted as a new clause, the existing clauses being re-numbered accordingly, namely:—

‘(1) Once in every year, on such date as the Chancellor may appoint in this behalf, there shall, if necessary, be an election to fill any vacancy among the Ordinary Fellows elected by registered Heads of, or Professors in, Institutions affiliated to the University and University Professors and Lecturers.

(2) The Syndicate shall maintain a register on which any person who is the Head of, or Professor in, an Institution affiliated to the University or is a University Professor or Lecturer, shall, subject to the payment of an initial fee of such amount as may be prescribed under regulations made in this behalf, be entitled to have his name entered, upon application made within the period of three years from the commencement of this Act, or one year from the date on which, by reason of his appointment as Head or Professor or Lecturer, he becomes so entitled:

Provided, nevertheless, that if such application is made after the expiry of the aforesaid period, the applicant shall be entitled to have his name entered upon payment of the said initial fee and such further sum as may be prescribed under regulations made in this behalf.

(3) The name of any Head or Professor or Lecturer entered on the register shall, subject to the payment of an annual fee of such amount as may be prescribed under regulations made in this behalf, be retained thereon, so long as he continues to be the Head of, or Professor in, an Institution affiliated to the University or a University Professor or Lecturer, and in case of default or of his ceasing to be a Head or Professor or Lecturer, his name shall be removed therefrom:

Provided, nevertheless, that the name of such person shall at any time, if he is duly qualified, be re-entered upon payment of such sum as may be prescribed under regulations made in this behalf.

(4) No person other than a Head or a Professor or Lecturer whose name is entered in the said register, shall be qualified to vote or to be elected at an election held under sub-section (1):

Subject, nevertheless, to such directions as may be given from time to time by the Chancellor, with a view to secure a fair representation of the Government, Aided, and Unaided Institutions, as also of different branches of study on the Senate.

(5) If a question arises at any time as to whether any person is a *bona fide* Head of, or Professor in, an affiliated Institution for the purposes of this section, the matter shall be referred to the Senate, whose decision shall be final.’

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" Clause 4 of the Bill, as amended by the Select Committee, provides that of the Ordinary Fellows of the University, some shall be elected by the registered Graduates or by the Senate, some shall be elected by the Faculties, and the remainder shall be nominated by the Chancellor. In the Universities of Calcutta, Bombay and Madras, where registered Graduates will be allowed to elect, there will be no election by the Senate, but there will be an election by the Faculties; in the Universities of the Punjab and Allahabad, there will for the present be no election by registered Graduates, but there will be an election by the Senate and also an election by the Faculties. The object of my amendment is to provide for an election by registered Heads of or Professors in Institutions affiliated to the University and University Professors and lecturers, if any. I do not desire to conceal my deep regret that the Bill, as amended, makes no provision for election by the constituency which I have named—a constituency which, in my opinion, has the first and foremost claim on the University. If it be the object of the Bill to secure for the Universities an academic Senate and also to secure the closest possible co-operation between University and College authorities, I think it is essential that the right of representation on the Senate should be conferred by statute upon those who carry on the educational work of the Colleges affiliated to the University, and I regret to have to say that the omission to provide for such representation does, in my judgment, appear to be a grave defect in the Bill. Indeed, the only reason which can justify us in refusing a statutory right of representation to teachers is either that the other modes of election would necessarily enable teachers to be represented on the Senate, or that no workable and consistent scheme could be devised to secure the end in view. As to the first of these positions, it seems clear to me that an election by Graduates or an election by the Senate or an election by the Faculties can in no sense and in no manner replace an election by teachers. As to the body of Graduates who will form our electorate, members of the teaching profession are in a hopeless minority. As to the Senate, in the case of the Universities in which there will be an election by the Senate, even though teachers are strongly represented upon that body, it can hardly be contended with any show of justice that an election by the Senate is equivalent to an election by teachers; and the same remark obviously applies to an election by the Faculties. It is perfectly true that we cannot as yet have an election by Colleges, for the reason that our Colleges are not yet Corporations; but I venture to point out that we may well have an election by College Professors who, whatever their individual aims and interests may be, are united by one common tie, namely, that they have all devoted themselves to the carrying out

[*Dr. Asutosh Mukhopadhyaya.*] [18TH MARCH, 1904.]

of that educational work which it is the object of this Bill to promote. I further desire to point out that, although teachers may be, and will be, nominated by the Chancellor, such nomination can hardly replace an election by teachers themselves. Indeed, it would not be difficult to point out instances in which teachers of distinction, European and Indian, in Government service or in private employ, have not been put on the Senate for many long years; and the reason is not far to seek; such must be the inevitable consequence, so long as we have teachers of eminence who are either unable or unwilling to press their claims upon Government, so that appointment to the Senate may not be unduly delayed or indefinitely postponed. If the right of election is conferred upon teachers, these are precisely the men whose claims are likely to be recognised by the electorate. To put the matter from another point of view, if the right of election is conferred upon teachers, they will be placed in a position to make recommendations to the Chancellor as to the persons whom he should nominate. My Lord, is there any doubt that the body of teachers we now possess or are likely to possess in the future, whatever their shortcomings may be, may safely be entrusted with the privilege of election? If there is any reasonable foundation for such doubt, I am afraid, my Lord, we are in a very bad way and no amount of legislation will be of any practical benefit. So far as I am concerned, I affirm without the slightest hesitation that the College teachers we have at the present moment may be implicitly entrusted with the privilege of election. The only question which then remains is whether it is possible to work out a consistent and practical scheme, and I have no doubt that if we earnestly seek for a solution, we may obtain one without much difficulty. I have myself worked out the details of one scheme which is embodied in my proposed amendment and which I submit to the judgment of my Hon'ble Colleagues. The substance of my scheme is that, with a Senate of one hundred, ten of the Fellows should be elected by registered Professors; I have provided for a system of registration in order to avoid any possibility of any dispute as to who may or may not be members of the constituency, and, in the case of any such dispute, I have provided for a decision by the Senate. But the cardinal point of my scheme is not merely that there should be an election by registered College Professors, but that such an election should be by them from amongst their own body.

"I have further provided that the Chancellor may give directions with a view to secure a fair representation of the Government, aided and unaided institutions, as also of different branches of study in the Senate. It may be conceded that the scheme is capable of improvement and may admit of

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modification, but I find it impossible to persuade myself to believe that there is any real difficulty in working it in practice. If my scheme is accepted, we shall have—for instance, in the case of the University of Calcutta—an electorate of a possible maximum of 750, who will be permitted to elect ten amongst their own body. I do not entertain the slightest apprehension that an electorate like this, composed of Professors who are mostly Graduates of Indian or European Universities and who represent the interest of all the Colleges in the country, will in any way abuse the privilege conferred upon them. My Lord, I earnestly make an appeal on behalf of the teachers of this great Province and of the other Provinces over which the jurisdiction of the different Universities extends ; and if my appeal to two such brilliant University men as Your Excellency and my Hon'ble friend in charge of the Bill prove ineffectual, it must be, not because the cause is weak, but because the advocate who has pleaded it is not equal to the occasion."

The Hon'ble MR. RALEIGH said :—" My Lord, I do not think that the case of College representation has lost anything by the advocacy of my Hon'ble friend ; and I have listened to a great deal of what he said with a certain measure of sympathy. Our Universities are made up of Colleges, and it is very natural to suggest, and many people have suggested, that the University authorities should be constituted so as to represent the College. This is an idea, but it is an idea which, after the most careful reflection, I feel bound to leave to the future. It must be worked out more than my Hon'ble friend has been able to work it out in the amendments which are before Council. I feel bound to oppose this amendment for several reasons. The first is that we are already proposing in this Bill to give a very considerable scope to the elective principle. In response to demands which have been made upon us we have given elective rights to Graduates and to members of the Faculties. We have provided in that way for the election of four or of three Fellows in the year, as the case may be. Now we all know that while election in the Universities has yielded some good results, it has also been attended by some drawbacks, and I know by experience in Calcutta that even for the limited number of elections we have had it has not always been possible to secure suitable candidates. Moreover, my Hon'ble Colleague's proposal can only be worked out by providing a register of teachers. My Hon'ble friend will remember that this was a question which I raised when the Commission started its enquiry, and the question was suggested to my mind by the experience of the Commission which remodelled the constitution of the London University. I took the opinion of the leading men who gave evidence before the Commission on this point, and

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the majority were of opinion that a register of teachers at the present moment is not practicable, that to draw up a register of teachers recognised by the University would raise so many disputes and create so many grievances that the advantage would not be worth the trouble it would cause. Even in the London University the greatest possible difficulty was found, and after endeavouring to lay down general principles the Commissioners found themselves constrained to deal with a large number of cases on their individual merits. Now until the thing has actually been done, until some University has taken up the question and has shown that a register of this kind can be formed, I do not think the scheme of my Hon'ble Colleague can be regarded as a practicable one. For these reasons I oppose this amendment."

The Hon'ble MR. BILDERBECK said :—" I agree in the abstract with the general suggestion made by Dr. Mukhopadhyaya, but I am in complete opposition to him as to the specific proposal made by him. As the Hon'ble Mr. Raleigh has pointed out, the scheme is practically unworkable, and as one with some knowledge of the practical working of a University, I hope I may be allowed to point out some particulars in which it is unworkable. Dr. Mukhopadhyaya lays down the proposition that the administration of a University should largely be placed in the hands of those actually engaged in the work of University teaching, *i.e.*, the Professors in the affiliated Colleges. Now this proposition unfortunately will not hold good, if the proposal is carried. To take the case of the University of Madras alone, we have twenty-one Colleges which are engaged in the full work of the University in preparing men for various degrees, and there are forty-one second grade Colleges. Now, Sir, I do not think that a second grade College can be described as an institution that is engaged, in the truest sense, in University work. I say nothing against those Colleges individually. Some of them are excellently conducted; very excellent discipline is maintained in them, and with regard to the staff very often individual members of the staff have academic qualifications quite as high as those of the gentlemen who find a place in full blown Colleges. But after all that can be said in favour of them, the second grade College is in my opinion nothing more nor less than a glorified high school. Then, again, among affiliated institutions, it is generally understood that there are some that are thoroughly inefficient and others that are very considerably below a proper standard of efficiency. Are these Colleges to be represented in the general administration of University affairs? It seems almost monstrous to suggest that they should be. There is another point. Dr. Mukhopadhyaya has said very truly that this proposal before us now can only be properly judged by a

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reference to the complete set of proposals which are distributed in fragments in the amendments on the Agenda paper. However, the most important part of the provisions before the Council standing in the name of Dr. Mukhopadhyaya will be found in paragraph 39, and if Members will turn to the top of page 5 they will find the proposals embodied in these words :—

‘ (2) The Syndicate shall maintain a register on which any person who is the Head of, or Professor in, an institution affiliated to the University or is a University Professor or Lecturer, shall, subject to the payment of an initial fee of such amount as may be prescribed under regulations made in this behalf, be entitled to have his name entered, upon application made within the period of three years from the commencement of this Act, or one year from the date on which, by reason of his appointment as Head or Professor or Lecturer, he becomes so entitled.’

“ There are two main conditions here : first, a man must be a Professor in one of the affiliated Colleges ; secondly, he must pay a fee. Now it so happens, as is perfectly well known, that a large number of the Colleges, at all events in the Presidency of Madras, have high school departments attached to them, and it is a matter of common knowledge that a gentleman on the staff may be for two or three hours in the day a master in the school, and for the remainder of the day a Professor of mathematics or something in the College. Now it seems to me to be absurd to place a mere schoolmaster on a footing of equality with the true University Professor or perhaps a Professor with very long experience and of great eminence in a fully developed College. I do not wish to detain the Council by entering more fully into the details of the scheme before us which is open to various other objections, but I think I have said enough to show how unsatisfactory it must be in practice.”

The Hon'ble MR. MORISON said :—“ No one feels more strongly than I do the importance of giving teachers a larger share in the government of the Universities ; but I cannot think that the device proposed by the Hon'ble Dr. Asutosh is the best means for attaining that end. The Heads and Professors of various Colleges scattered over a Province do not constitute a good electoral body, they have no opportunity of knowing each other or arriving at unanimity of opinion ; it is impossible for the Professors in Allahabad or Benares to know which member of the staff of the Agra College is most worthy of the honour of Fellowship. In practice we should be obliged to rely upon the statement of the Principal proposing one of his juniors ; and that practically comes to the same thing as appointment by the Chancellor from among educationalists. I don't think that this would be any improvement upon the proviso to section 10.”

The Hon'ble MR. PEDLER said :—"My Lord, I have some diffidence in opposing the motion of the Hon'ble Dr. Mukhopadhyaya, because it might be thought that I am acting against the interest of teachers. As a matter of fact, I believe I speak in the interest of all good teachers in opposing this motion. The Hon'ble Dr. Mukhopadhyaya's motion is good in theory ; but in India it is impossible in practice. The first essential of the working of this proposal is to introduce a register of Professors and Principals. The Indian idea as to what is meant by a professorship is exceedingly vague. Only within the last week or two as Director of Public Instruction I have received proposals from men in the Province of Bengal whose main occupation is only teaching in schools, and who may, perhaps, give lectures in a College department for an hour or two a week. These men have applied to be called Professors or Assistant Professors. I do not know whether they wish to be thought eligible for this proposed register.

"Again, I know of instances of men who go to various collegiate institutions, say, for half an hour a day, and such men are called Professors. I will give a specific instance within my own knowledge. For many years I was Meteorological Reporter to the Government of Bengal and of course had a considerable staff. I was asked on one occasion by one of my clerks for a week's casual leave, which I granted. About two months afterwards that clerk came to me and said, 'Sir, I have passed the B. A. Examination,' and I said, 'How is that—you are not attending any affiliated College?' 'Sir, I have gone up as a Lecturer or Teacher.' I said, 'What College has sent you up?' and he told me. Of course I made enquiries, and it turned out that this clerk used to go into this institution on his way to office, and after staying a short time there, he came on and did his day's work from 10-30 A.M. to 5 P.M. in the Meteorological Department. Such arrangements are, I believe, not an uncommon thing. Is such a man as that to be classed as a Professor? Is such a man to be put on the same register as the permanent head of a really first class College? Is a man who gives what are called lectures in second grade Colleges, or a man who may be a passed B. A. or a junior Sanskrit Pundit who may draw pay of from Rs. 30 or Rs. 50 a month, to be called a Professor, and are these to be put on this register and considered equal to a man who is a senior wrangler or a man like Professor Cowell who had a European reputation? The thing looked at in this way is to my mind absurd. Again, if you put all the Professors in Colleges in various parts of Bengal down in a register, the number would be extremely large, as there are 46 first grade Colleges and 32 second grade on the list of the Calcutta University. Some of these Colleges have

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say, 20 or 30 Professors, and some have only one or two. Are you going to put on the whole of these men or only a selection? Are you going to take only one or two, or the 20 or 30 from a College? All these are difficulties that are not met at all by the proposals made by Dr. Mukhopadhyaya. I may make another point—I know of certain Colleges where the Professors who have taken good degrees are engaged at the beginning of the session—that is in June—and when it comes to about the present time of the year, March or April, their services are dispensed with, while they may be re-engaged in June. I need not say that the object of this is to save their salaries for the three months. Are you going to place these men on the register—men who have no certainty of appointment, or continuity of work, are you prepared to consider all such men as equal in the list and to give them the same votes as the men who are permanently employed in first class Colleges and who spend their best energies working up to a high ideal of education? I think therefore that the proposal is good in theory, but that immediately you begin to work it out, immediately you begin to investigate the details with regard to its working in India, the proposal must fall to ground. I must, therefore, oppose the amendment.”

The Hon’ble MR. GOKHALE said :—“ I cordially support the amendment of my Hon’ble friend Dr. Asutosh Mukhopadhyaya. I think if there is any class of men who are entitled to representation in the University it is the class of Professors, and I would put them before the Graduates, because when the Graduates have once left the University their connection with that body is generally only sentimental, whereas the Professors are affected in the work of their daily life by the deliberations of the University.

“ There is another reason why I want Professors to have representation. The Indian Professors are bound to be at a considerable disadvantage, if everything is left merely to Government nomination. This may not be intended, but it is likely to be the result of the practical operation of the measure.

“ I see that Government are going to accept an amendment to restrict their powers to appoint Fellows and that two-fifths of the men nominated by Government will belong to the profession of teaching. My point, however, is that Indian Professors, except the most eminent among them, will have small chance of attracting the notice of Government. Let us not forget that when we talk of Government, very often that Government in actual practice means only the Secretary in the Educational Department, and the range of his knowledge of men—especially of Indians—cannot but be limited. English Professors have

special facilities—social gatherings and so forth—for being known to the members of Government, but there is no such channel for Indian Professors, and this is an important reason why the Professors as a class should be allowed direct representation on the Senate.

“The Hon’ble Mr. Raleigh in opposing this motion said that he did not want to extend any further the elective principle at present, and that sufficient scope had been already given to the principle of election in this Bill. I beg to challenge the Hon’ble Member’s statement on this point. So far as Allahabad is concerned, instead of expanding you have cut down the scope of the elective principle.

“You have cut down their right of election from 50 to 20 per cent. The same is the case with the Punjab.

“The Hon’ble Member speaks of the evil of canvassing being encouraged by the elective method. I believe, like all human institutions, the system of election has its weak points. But frankly, why should we allow ourselves to be so frightened by canvassing? Is canvassing so unknown in this country? Do not the elections to Municipal and Local Boards, to the Local and Supreme Legislative Councils, all involve a certain amount of canvassing? In the West, canvassing seems to be the one royal road to offices in the gift of the public, and, if they do not fight shy of canvassing there, why should we regard canvassing with so much horror in country? Moreover, the proposed constituency in the present case will be a small one—only a few hundred—and the voters will be men of more than average intelligence and education.

“The Hon’ble Mr. Bilderbeck points out that teachers in second grade Colleges are only High School teachers engaged for an hour or so a day in College teaching. I am prepared to meet this objection by excluding the teachers in second grade Colleges from the franchise at the start. The same objection about the Colleges being so unequal has been taken by the Hon’ble Mr. Morison, who tells us that he greatly sympathizes with the subject of the amendment but whose sympathy, as far as we can see, takes the form only of criticizing other people’s proposals and not of bringing forward proposals of his own, and by the Hon’ble Mr. Pedler, who has tried to emphasize the general argument by telling the Council of an instance in which one of his clerks was permitted by a certain College to keep terms without practically attending it. My Lord, I am sure we all feel that such a state of things is very sad and very reprehensible; but has the Government no responsibility in this matter? Who sanctioned the affiliation of that particular College? Again, may I ask what steps the Hon’ble Member took to draw the attention of the University authorities to the delinquencies

[4TH MARCH, 1904.] [*Mr. Gokhale; Dr. Asutosh Mukhopadhyaya.*]

of that institution. Did he report the matter to the Syndicate? Or if he did not like to meddle in such matters when he was Meteorological Reporter, what course did he follow when he became Director of Public Instruction? My Lord, if we are to have such incidents mentioned, let each one accept his share of responsibility in the matter."

The Hon'ble MR. ASUTOSH MUKHOPADHYAYA said:—"Five of my Hon'ble Colleagues have addressed the Council on my motion. Every one of them has belonged to the profession of teaching at some period of his life, and so it is a source of unfeigned regret to me that four of them should have opposed my motion. I should like to say a few words in respect of the arguments advanced by each of them. I will first take my Hon'ble friend the Member in charge of the Bill. His arguments were twofold: first, that considerable scope has already been given to the elective principle and that it cannot, at the present moment, be further recognised; second, that it is extremely difficult, if not impracticable, to have a register of teachers, and therefore no workable scheme can be devised to give effect to my suggestion. As to the first of these arguments, I suppose it is a matter of taste whether you will have twenty or thirty elected Fellows out of a maximum of one hundred. I venture to point out that the real question is not whether the principle of election can be extended to this length or that length, but whether the constituency for whom I am pleading is qualified. Are our teachers throughout the country qualified to be trusted with the principle of election? If they are not, let us say so, in unmistakable terms; and I add without hesitation that if that be our decision and if our teachers really deserve this want of confidence, the sooner we throw this Bill into the waste-paper basket the better for every body concerned.

"I have not been able to discover what possible relation there is between the register of teachers which I propose and the register of teachers contemplated by the Universities Commission to which the Hon'ble Member in charge has referred. As I understand it, it was proposed at the time that a register of the teachers should be framed at each University containing names of persons who might be employed by the Colleges as Professors: that is to say, no person was entitled to be employed as Professor in any College affiliated to a University unless and until his name had been previously registered by the University authorities, and I admit that the preparation of such a register is attended with great and probably overwhelming difficulties. But it is obvious that the register I contemplate is a register of an altogether different character. It is a register of persons who are employed as Professors in our Colleges and who are willing to form themselves into a constituency for the purpose of returning Fellows to the

[*Dr. Asutosh Mukhopadhyaya.*] [18TH MARCH, 1904.]

University. The qualification which I insist upon is that every member of the constituency should be employed as a Professor in one of our Colleges, and surely it ought not to be difficult in practice to ascertain whether a particular individual is or is not so employed. But in case any such difficulty should arise I have expressly provided for it in my scheme.

"I next take the observations of my two friends, Mr. Bilderbeck and Mr. Pedler. Both of them admit that what I demand is good in principle but absolutely unworkable in practice, but the reasons which they give seem to me to be somewhat extraordinary. They say that there are Colleges good, Colleges bad. There are Professors who are entitled to be Professors, there are others who are only nominally so. Are all these to be joined together in one constituency? The Hon'ble Mr. Pedler said, are you going to rank Senior Wranglers and B. As. of the Calcutta University in the same category? Before answering this we might ask how many Senior Wranglers there are in the country. I do not know of any Senior Wrangler who is engaged in educational work in this country other than Mr. Paranjpe. But apart from that, if you follow that line of reasoning far enough, where will you be landed? Have you not already created a University constituency in which Graduates of distinction are lumped up with Graduates of no distinction whatever? Have you not said that your constituency is to be composed of people who have obtained the highest academic degrees and persons who have obtained a merely pass degree?

"Indeed, if you accept that doctrine you will be landed in this position, that you cannot have any constituency for the purpose of any election at all. You cannot, I say, have any constituency in which all the members will be equally qualified. The question is whether the member of the constituency who is least qualified is fit to be a member of that constituency; and therefore I maintain that we should begin with the question, is a Professor who has devoted himself to educational work, no matter how much or how little his qualification may be, entitled to be entrusted with the privilege of election? If he is, I hold it is quite possible and practicable to have a constituency who may be entrusted with the privilege of election.

"Mr. Morison said that you have teachers spread all over the country. They do not know each other and it is not likely that they will be able to return the very best man. Do not the same observations apply with equal force to the constituency of Graduates? Are they not probably even more widely spread than Professors? So far as the Calcutta University is concerned, our Graduates are spread all through India. Is it supposed for a moment that they know each

[18TH MARCH, 1904.] [*Dr. Asutosh Mukhopadhyaya ; Mr. Gokhale.*]

other intimately, and that they are qualified to judge of the qualifications of candidates for Fellowships in the University? If they are, and I must assume that they are when the privilege of election has been conferred upon them, then I do not see the need for assuming the very opposite in the case of the Professors. I adhere to the opinion that the practical objections which have been raised against my scheme are really of no weight and that the time has come when this experiment ought to be begun; and I add without any hesitation that if the present Government do not make this experiment, the time will come when some future Viceroy, such as Lord Lansdowne, will do so, and that the credit will belong to some future Viceroy of putting this measure upon the Statute-book."

The Council divided :—

Ayes 5.

The Hon'ble Dr. Asutosh Mukhopadhyaya.
The Hon'ble Rai Bahadur Bipin Krishna Bose.
The Hon'ble Nawab Saiyid Muhammad.
The Hon'ble Mr. Gopal Krishna Gokhale.
The Hon'ble Rai Sri Ram Bahadur.

Noes 17.

The Hon'ble Mr. D. M. Hamilton.
The Hon'ble Mr. J. B. Bilderbeck.
The Hon'ble Dr. Ramkrishna Gopal Bhandarkar.
The Hon'ble Mr. T. Morison.
The Hon'ble Mr. A. Pedler.
The Hon'ble Mr. H. Adamson.
The Hon'ble Mr. E. Cable.
His Highness the Agha Khan.
His Highness the Raja of Sirmur.
The Hon'ble Mr. A. W. Cruickshank.
The Hon'ble Sir Denzil Ibbetson.
The Hon'ble Sir A. T. Arundel.
The Hon'ble Major-General Sir E. R. Elles.
The Hon'ble Sir E. FG. Law.
The Hon'ble Mr. T. Raleigh.
His Excellency the Commander-in-Chief.
His Honour the Lieutenant-Governor of Bengal.

So the motion was negatived.

The Hon'ble MR. GOKHALE moved that in clause 4, sub-clause (1), head (e), sub-head (ii), for the words "the Faculties" the words "the registered Professors in affiliated Collèges" be substituted. He said :—"As Your Lordship has just now pointed out, the greater part of the arguments in favour of

[*Mr. Gokhale ; Mr. Raleigh ; Dr. Asutosh Mukhopadhyaya.* [18TH MARCH, 1904.]

this motion have already been anticipated in connection with the amendment moved by the Hon'ble Dr. Mukhopadhyaya. There are one or two things, however, which I wish to say in connection with this amendment. I have no objection to the privilege of election being conferred on Faculties. These Faculties are no doubt important bodies, and, at the instance of the Hon'ble Member in charge of the Bill, they have been so expanded now as to include as members a certain proportion of persons who are not Fellows. It must be pointed out, however, that these Faculties will for the most part consist of Government nominees. We shall have in the older Universities eighty men appointed by Government as against ten men elected by Graduates. It is thus clear that the Faculties will be composed of eight Government nominees to one Fellow elected by Graduates. Representation given to these Faculties will therefore be representation given practically to Government nominees and the persons co-opted by them. And I would prefer the franchise to be conferred on Professors as a class to conferring it on these Faculties. It may be argued that in the London University the Faculties enjoy the franchise, and therefore we should confer it on them here. But the London Faculties consist exclusively of teachers, while with us they will consist of such persons as the Government may choose to nominate."

The Hon'ble MR. RALEIGH said :—" My Lord, I adhere to the scheme of the Bill as amended in Committee, and my reasons for doing so, I think, have been fully stated already. I oppose this amendment."

The motion was put and negatived.

The Hon'ble DR. ASUTOSH MUKHOPADHYAYA moved that in clause 4, sub-clause (2) be omitted. He said :—" The object of this amendment is to secure the omission of that clause of the Bill which makes Fellowships tenable only for five years. Under the existing Acts of Incorporation in the Universities of Calcutta, Bombay and Madras, Fellowships are held during the pleasure of the Government, and practically they have been regarded as tenable for life or during residence in this country. In the case of the Universities of the Punjab and Allahabad, Fellowships are tenable practically for life, though a Fellow may be removed by the Government upon the recommendation of two-thirds of the members present at a meeting of the Senate. In the Bill as amended, it is proposed that every Ordinary Fellow of the University should hold office for five years. This rule will undoubtedly tend to impair the independence of nominated Fellows. It may no doubt be

[18TH MARCH, 1904.] [*Dr. Asutosh Mukhopadhyaya.*]

contended in theory that the Government, in considering the claims to re-appointment of Fellows who have vacated their office, will have regard only to their fitness irrespective of the fact that they might have opposed the views or the policy of the Government upon particular questions; on the other hand, it may be supposed that there may be persons of sterling independence who would fearlessly discharge their duties regardless of consequences. It seems to me, however, that these are extreme cases which it would be next to impossible to realise in practice, and in the vast majority of instances nominated members of the Senate, at least such of them as may be anxious to retain a seat on the Senate, will shape their conduct in conformity with the views expressed or supported by high officials. I venture to think that, if such be the actual result, no reasonable man can doubt for a moment that it would be disastrous to the best interests of the University. Then, again, it seems to me that the rule of terminable Fellowships would keep away from the elections quiet scholars who would hardly care to face a contested election once in every five years. Under the provisions of the Bill as amended the electorate in the case of my University may consist of a possible maximum of eight thousand; and it seems to me that with periodical elections by such a constituency, the candidate most likely to succeed will be, not the best qualified scholar, but the most strenuous organiser and the most persistent canvasser. The only plausible reason that may be urged against my suggestion is the tendency of life Fellowships to postpone the admission of new members who may be of exceptional distinction, till a vacancy occurs. But the obvious answer to this objection is that the number of persons of such distinction is extremely limited, and no practical difficulty need be apprehended, inasmuch as vacancies on the Senate must frequently arise by reason of death, resignation or retirement, as also by the operation of section 11, which provides that an Ordinary Fellow may vacate his office by reason of non-attendance at meetings of the Senate for the period of one year. I am not unmindful of the provisions of the London University Statute, under which no member of the Senate can retain his office for a longer period than five years. But I may be permitted to point out that the surrounding circumstances, both political and educational, are so radically distinct, that no fair comparison can be instituted between the constitutions of the London and Indian Universities. Indeed, if the Government would give us the constitution of the London University with all the safeguards provided by the system of election, I would, without hesitation, close with the offer at once. But it does seem to me to be not quite fair to single out one particular feature of the London Constitution, and to cite it as weighty authority against my position, when it is conceded that the Consti-

[*Dr. Asutosh Mukhopadhyaya; Mr. Raleigh.*] [18TH MARCH, 1904.]

tution of the Universities I am dealing with must necessarily differ in essential particulars from the London constitution. It seems to me, therefore, that the balance of convenience is in favour of my suggestion that the five years rule should be abolished, that exceptional care should be taken when a Fellow is appointed, but that, when a proper person has been appointed, he should be allowed to work."

The Hon'ble MR. RALEIGH said :—" My Lord, the arguments on both sides of this question are so familiar that I propose to state my views rather shortly. The objection which we have taken to life Fellowships is this, that the effect of the system is to fill up the senior ranks of our Senates with a number of gentlemen who are often among the most eminent, but seldom among the most efficient, members of the University, and it is obvious that that argument applies with much greater force when the Senate is limited in point of number, as we propose that it should be. We consider that a term of five years is suitable on the whole to the conditions of life in India, that it is the sort of term for which either an Indian or a European can be appointed to the Senate and may be willing to serve, and I wish to point out that in a limited Senate such as we propose everything would depend upon the balance of interests which the Chancellor is able to maintain, and that such balance can only be maintained by giving a comparatively short term to the Fellowships, so that there will be regular and recurring vacancies, which the Chancellor can fill up in such a way as to strengthen the interest or study which appears at the moment to require strengthening. Now one of the arguments used against the five years' Fellowship is, that a five years' Fellow will not be independent; but this is an argument which I confess has never made the smallest impression on my mind. It proceeds upon the assumption that the Government of this country is a suspicious body, constantly on the watch to do somebody harm, and that Government resents any show of independence on the part of its nominees. I venture to say that the whole record of our Government in India goes against this. The races and the individuals with whom we find it most easy to make friends are those who are most independent, and I will cite my Hon'ble Friend Mr. Gokhale as a strong example of that. Mr. Gokhale has made his name in this Council by delivering periodically tremendous attacks upon the Government and its policy, and the result is that we put Mr. Gokhale on almost every one of our Committees, and that we are not satisfied with any of our measures until it has passed through the ordeal of Mr. Gokhale's criticism. I think that the whole amendment is founded upon an apprehension for which there is no ground, and for that reason I would adhere to the limit as fixed in the Bill as amended."

[18TH MARCH, 1904.]

[*Mr. Pedler.*]

The Hon'ble MR. PEDLER said :--“ I wish to add a few remarks as I am entirely opposed to this amendment. It appears to me that the Hon'ble Dr. Mukhopadhyaya's proposal in favour of life Fellowships is to entirely ignore the circumstances by which we are surrounded. Indian society is always changing. This is especially true with regard to the European and official part of it, but perhaps less true with regard to the Indian gentlemen. Now, the changes which take place from year to year amongst the Fellows of any Indian University are so great as to entirely throw out the balance of interests and of representation. There are also many cases where we want a special class of men on the University to carry on special work, and in the new Senate we are to be limited as to numbers, and if we have life Fellowships it will practically be almost impossible to add these special men.

“ Now, as I have said, Dr. Mukhopadhyaya has entirely ignored the facts of experience. To prove this I should like just to give a few numbers showing actually what has happened in the Calcutta University and proving that the present system of life Fellowships works most inequitably. As the result of the working of the system of life Fellowships, while, in the year 1880, the majority of gentlemen representing what may be called Western education, that is to say, Europeans in the Senate, over Indian gentlemen was 77, in the year 1902, the majority of Indians over Europeans was 47. That is, in the course of a comparatively short space of time there had been an entire and complete reversal of the conditions of representation, and while up to a certain period of the history of the Calcutta University what may be called ‘ Western ideals of education and Western ideas of discipline ’ were prominently kept in view, gradually from 1880 to 1890 a change took place, and now, more or less, the majority of the members of the Senate represent Eastern, rather than Western, education.

“ I think I may also cite just a few cases occurring within the last few years of nominations to our University. In the last year in which any nominations were made, that is, in 1900, there were six European gentlemen and one Indian gentleman nominated by the Chancellor, and two elected by Graduates. Of these six Europeans, one was Sir James Bourdillon, who is now certainly not available for University work, one was Mr. Joscelyne who retired from the public service two years ago, and one, Major Dyson, who has been transferred from Bengal. Going back to the previous two years, we find exactly the same result. Out of six Europeans nominated in 1899, two have retired and one is not available. In 1898 four Europeans were nominated, and three of these have either gone on furlough with the intention of retiring or have retired. I have worked out the figures for the last few years, and I find in the years 1896

[*Mr. Pedler ; Mr. Gokhale.*] [18TH MARCH, 1904.]

to 1900 out of 24 representatives of what may be called Western education who have been nominated as Fellows only eleven are at present available, and I regret to say that of these eleven only five or six can be expected to regularly attend the University meetings. Another way of judging of the effect of life Fellowships is to take the history of the two classes of European and Indian Fellows as represented by the length of time they have served the University. I find that, out of 378 European Fellows, the average length of their Fellowship has been just over 10 years, while the average length of the Fellowship of 178 Indian gentlemen has been over 15 years, that is, half as much again. Then also taking the number of European Fellows who remained on the Senate in 1903, we had 53, and the average length that they had served as Fellows was 12·6 years. The number of Indian gentlemen who remained in 1903 was 100, and the average length of their Fellowship was 17·3 years. How can education in the Calcutta University be conducted on Western lines, how can Western education receive fair play and how can Western discipline be enforced if the management of the University is not entrusted to those who have themselves secured a Western education? The system of life Fellowship has been tried and has failed to secure the desired results.

“I would therefore oppose this amendment of the Hon'ble Dr. Mukhopadhyaya altogether.”

The motion was put and negatived.

The Hon'ble MR. GOKHALE moved that in clause 4, sub-clause (2), for the word “five” the word “ten” be substituted. He said :—“The effect of this amendment would be to make the period of Fellowship one of ten instead of five years. I admit, my Lord, that once we make the Senate a limited body, we must have terminable Fellowships. The only question is what the period of these Fellowships should be. I also admit that the choice of this period is bound to be arbitrary, but I would submit that, considering the work that has got to be done by these Fellows, ten years will be better than five years. A new Fellow will take two or three years to be familiar with the methods and the work in the Senate. The Hon'ble Mr. Pedler gave us instances of the Government nominating a large number of European Fellows and a small number of Indian Fellows and yet the Europeans being reduced to a minority owing to their leaving the Province, while the Indians remained, once they were appointed. And he said that a five years' limit was necessary to prevent such a result. This means that the duration of Fellowships is to be determined, not for the purpose of securing for the University the services of the best men but for

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ensuring to European Fellows a standing majority—a view of the matter against which I beg leave to protest.

“In regard to what fell from the Hon’ble Mr. Raleigh in connection with the Hon’ble Dr. Mukhopadhyaya’s amendment, I must still plead that a five years’ duration would strike at the independence of the members. I quite admit that it is not right to say that Government will necessarily note those men who take a particular view of the questions that come before the Senate and carefully weed them out whenever an opportunity comes. At the same time let us not be carried away by too much faith as by too much distrust.

“The Hon’ble Member’s faith is no doubt touching in its simplicity and its completeness. But he must forgive others if they are unable to share it. Of course Government in the abstract is incapable of doing anything wrong, but Government in the concrete means individuals, not always altogether free from passion or prejudice.

“As regards the Hon’ble Mr. Raleigh’s reference to myself, I do not know whether to regard it as a compliment or a criticism. I was under the impression that Government put me on Select Committees, because it was thought that I understood a little of the matters referred to the Committees. I did not know that the function assigned to an interesting but not very agreeable character—the Devil’s Advocate—at the Canonization of Saints was considered to be specially in my keeping in this Council.”

The Hon’ble MR. RALEIGH said:—“My Lord, in regard to what I ventured to say about the Hon’ble Member who has just spoken, I hope that he will consider it more or less in the nature of a joke, for certainly nothing at all disrespectful was intended. The proposal to substitute ten for five is one on which I find it difficult to say much. I have stated that the five years term is suitable having regard to all the conditions of official and academic life in this country. I really do not think I can say anything more: I still prefer five to ten, and I should advise the Council to adhere to the scheme of the Bill.”

The Hon’ble MR. BILDERBECK said:—“I was prepared with an analysis to justify the choice of five years, but as the question has been dealt with in some detail by the Hon’ble Mr. Pedler in his remarks on a previous amendment, I shall not detain the Council by treating them to this analysis. I wish to address myself principally to the arguments advanced against the five years’ tenure.

"I confess that I cannot see much force in the arguments that have been urged against the adoption of the five years limit. It is suggested that, with this limit, a man will barely have time fully to acquaint himself with the methods and needs of University administration, and that, when perhaps he is just beginning to make himself useful, his connection with the Senate is abruptly terminated. To such an argument the reply is obvious. The members of the Senate of the future will presumably be men of position and experience, who, even if on appointment they have had no previous experience of University administration, will not take long to understand what is required of them. If any Fellow during the period of his tenure has been unable to play a useful part in the University, there will be a presumption against him that his appointment to a Fellowship was a mistake. If, on the other hand, a Fellow should have proved himself particularly serviceable to the University, it may be presumed that he will be re-appointed on the termination of his tenure. Finally, in the case of a large number of administrative appointments, the principle of a five years tenure operates satisfactorily, and there seems to be no reason why the application of a similar principle should not be equally successful in the case of a Fellowship.

"Another argument that has been advanced against a five years tenure and in favour of a longer tenure is that the shorter period militates against independence. This argument, in which arithmetic and psychology seem to jostle one another, is difficult to follow. Are we asked to believe that a man whose moral fibre is such that he cannot show any independence of character in a period of five years may nevertheless develop strength of character if seven or ten years be allowed for its maturity? Plants of late growth are phenomena of some interest to the psychologist, but I submit that the Senates of our Universities in India are not the soil on which provision should be made for their experimental cultivation. But perhaps the meaning of the argument is that a man who knows he is to hold a Fellowship for a period of seven or ten years is likely to be inspired with greater confidence in himself than one who is to hold his appointment only for five years. I should have thought that to a man of ability and energy the knowledge that only a five years tenure of a Fellowship was assured to him would operate as a stimulus to self-assertion and strenuous effort. However, whatever may be the psychological facts of the case, the gain to the University by an inclusion of the former class in consequence of an extension of tenure of a Fellowship would, I believe, be more than counterbalanced by the inconveniences that would necessarily follow a neglect of the considerations which should control the recruitment of Europeans and of members of the teaching profession."

[18TH MARCH, 1904.] [*Nawab Saiyid Muhammad; the President.*]

The Hon'ble NAWAB SAIYID MUHAMMAD said:—"My Lord, the fixing of five years as the duration of a Fellowship is, I think, an arrangement that does not promise to work smoothly or with advantage to the University. The chances of the re-election of the few Fellows elected by registered Graduates will be more or less doubtful, the Faculties will be rather an uncertain electorate, and the renominations will rest entirely with the Chancellor. A period of five years of office will fail to inspire Fellows with a sense of sufficient zeal, for by the time they begin to acquire some experience and authority in University matters they will be liable to be thrown out. I therefore beg to support the amendment."

His Excellency THE PRESIDENT said:—"This is one of a series of amendments that seem to me to raise a principle so important, and so directly to impugn the conduct of high officers of Government, and more especially of those high officers who already fill, or who will fill in the future, the posts of Chancellors of the various Universities, that I should not like to give a silent vote upon it. The reasons in favour of fixing a five years' term seem to me to be overwhelming. First, there are the reasons of practical expediency which were summarised by my Hon'ble Colleague sitting upon my left. A short term is necessary in order to secure the due and proportionate representation of the various interests which we desire to see upon our Senates in the future. It is necessary, in order to effect the strengthening of an interest that has become unduly weak, or the reduction of one that has become unduly strong. As the Hon'ble Mr. Pedler remarked, it will be a task of the first importance to maintain a proper balance of interests, sections, and denominations upon the Senates. Life Fellowships would fail to effect this. A ten years' term of Fellowship would not effect it: even a seven years' term would, I believe, be ineffective. That is the reason why, on grounds of expediency, we have decided in favour of the five years' term. Then there is another point. Surely it should be of great importance in the future to keep a stream of new blood perpetually flowing through the veins of our new Senates, for two reasons, both in order to interest in the Senates the community at large, and, still more, to keep the Senates themselves in touch with public opinion. There is the further point that in adopting the five years' term we are after all only accepting that term which is familiar in the practice of almost all the high offices of Government in India and which is best suited to the conditions of Indian life. There can be no doubt that a longer term would be unduly unfavourable to the European and favourable to the Indian element."

"These are the practical reasons for which we have decided in favour of this term.

"I now come to the larger question of principle. It has been alleged by the Hon'ble Dr. Asutosh Mukhopadhyaya and the Hon'ble Mr. Gokhale in favour of their proposals, that the fixing of a short term must impair, if not destroy, the independence of the Senates of the future. I had imagined that this argument applied exclusively to those Fellows who will be nominated by the Chancellor, but I learn to my surprise from the Hon'ble Dr. Asutosh Mukhopadhyaya that in his view the argument applies also to those Fellows who under the new Bill will be elected by the large constituency of Graduates which we are going to set up. He told us just now that this provision will keep away the quiet scholarly men from the turmoil of a contested election liable to recur at intervals of five years. Now, will he tell me how many out of the 24 Fellows who have been elected for the present Calcutta University since the year 1890, with no quinquennial term of re-election to disturb their quietude, can be so described? With the exception of two doctors, two teachers, and one engineer, who were only elected because the Chancellor ordered them to be chosen from those categories, the whole of the rest of these gentlemen have been drawn from the profession of the law, and it is no disparagement to that profession, of which the Hon'ble gentleman is himself a most distinguished ornament, to say that quiet scholarship is not one of its principal characteristics. The quiet scholar argument is in fact a mere after-thought, and I do not hesitate to say that in the future the quiet scholar, if he wants to get on to the Senate, will not go to the constituency of Graduates which we are going to set up—he will get small mercy from them—but it will be to the Chancellor that he will have to look for protection and nomination.

"So much for the category of elected Fellows: but the argument of the Hon'ble Mr. Gokhale is rather different. As I understand him, it is confined to those Fellows who will be nominated by the Chancellor. The argument, as supported by the Hon'ble Dr. Asutosh, is that these Fellows will find it necessary to shape their conduct (those were his words) in a manner to suit the Government, in order to ensure the re-nomination which they may desire at the end of their term. As I said at the beginning, this seems to me most directly and explicitly to challenge the probable conduct of the Chancellors of the future. The Hon'ble Mr. Gokhale remarked, We may have very good Chancellors and very good Vice-Chancellors now, but we must not show too much

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[*The President.*]

faith in their successors: it may be that future Chancellors and future Vice-Chancellors will not be men of the mental elevation of the present occupants of those two posts. I am sure the Hon'ble Mr. Raleigh and I are very grateful for this compliment, but I cannot accept it to the detriment of our successors. They will act upon the principles which have actuated their predecessors, and to nobody are they better known than to the Hon'ble Member himself. If there is one thing that we welcome in this country, it is frank and fearless criticism, so long as that criticism is bestowed upon us with responsibility and without venom. Now, my Hon'ble Colleague on my left said that his reference to Mr. Gokhale was in the nature of a joke; but, if I may say so, it was a very forcible joke; and if this amendment does not come with a good grace from him, still less does it proceed with a good grace from the Hon'ble Dr. Asutosh. That Hon'ble Member was only the other day elected to this Council by the votes of the non-official Members of the Legislative Council of Bengal. No sooner did this news reach us here, than we at once placed him upon the Select Committee of this Bill, though we knew that it must add considerably to the length and contentiousness of these proceedings. But so anxious were we to give full scope to reasonable and competent criticism, that we at once took advantage of his services.

“Let me take another case, that of the Hon'ble Nawab Saiyid Muhammad, who spoke just now. The other day he delivered himself at this table of a speech against the Official Secrets Bill. Immediately, in the twinkling of an eye, we put him on the Select Committee to deal with that Bill. These are but typical cases; typical of others which are continually occurring in every aspect and sphere of administration in this country. For my own part, I think that at the end of a five years' term, the fearless critic of Government policy, provided that his criticism is honest, will stand a very much better chance of re-appointment than the time-server or the sycophant, and I should be very much more afraid that instead of proving servile in order to escape rejection, a man may develop an exaggerated independence in order to secure renewal. On these grounds I deprecate as extravagant and unreasonable the charges that have been brought against Government by both Hon'ble Members, as a ground for protesting against the term of tenure that is contained in this Bill; and I think the Council may, with confidence not only in the present occupants of high offices in this country, but in their successors, agree to the shorter term proposed.”

[*Dr. Asutosh Mukhopadhyaya.*]

[18TH MARCH, 1904.]

The Council divided :—

Ayes 5.

The Hon'ble Dr. Asutosh Mukhopadhyaya.

The Hon'ble Rai Bahadur Bipin Krishna Bose.

The Hon'ble Nawab Saiyid Muhammad.

The Hon'ble Mr. Gopal Krishna Gokhale.

The Hon'ble Rai Sri Ram Bahadur.

Noes 16.

The Hon'ble Mr. D. M. Hamilton.

The Hon'ble Mr. J. B. Bilderbeck.

The Hon'ble Dr. Ram Krishna Gopal Bhandarkar.

The Hon'ble Mr. T. Morison.

The Hon'ble Mr. A. Pedler.

The Hon'ble Mr. H. Adamson.

The Hon'ble Mr. E. Cable.

His Highness the Agha Khan.

His Highness the Raja of Sirmur.

The Hon'ble Mr. A. W. Cruickshank.

The Hon'ble Sir Denzil Ibbetson.

The Hon'ble Sir A. T. Arundel.

The Hon'ble Major General Sir E. R. Elles.

The Hon'ble Mr. T. Raleigh.

His Excellency the Commander-in-Chief.

His Honour the Lieutenant-Governor of Bengal.

So the motion was negatived.

The Hon'ble DR. ASUTOSH MUKHOPADHYAYA moved that in clause 4, sub-clause (2), for the word " five " the word " seven " be substituted. He said :—"My Lord, the amendment which I now move is more moderate than the one moved by my Hon'ble friend Mr. Gokhale and rejected by the Council. But I am afraid that all amendments in this direction, moderate or otherwise, will meet with the same fate. My suggestion is, now that the Council has accepted the principle of terminable Fellowships, that the term should be fixed at seven instead of five years. I confess I am unable to discover any special or particular virtue in a five years term, nor do I claim any such character for a seven years term; but it does certainly seem to me that a five years' term is too short. Under the operation of this rule, a Fellow may be removed from his office just when he has acquired some experience

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[*Dr. Asutosh Mukhopadhyaya ; Mr. Raleigh ;
Mr. Gokhale ; Sir Denzil Ibbetson.*]

in the work of the administration of the University and is in a position to make himself useful. I would therefore suggest that the limit should be raised to seven years ; and I do so without much hesitation, as I believe that in English Universities, *e.g.*, in Cambridge Colleges, Fellowships are in many instances tenable for a longer term than five years. I do not overlook the distinction between a College Fellowship in England and a University Fellowship in this country ; but I do not see that the distinction is of such a character as to make the analogy wholly inapplicable."

The Hon'ble MR. RALEIGH said :—" My Lord, the reasons given for declining to accept Fellowships for life or for ten years are equally applicable to this proposal."

The Hon'ble MR. GOKHALE said :—" I wish to make only one observation, and that with reference to what fell from Your Excellency in connection with the last motion. My Lord, I never intended to imply that future Chancellors or Vice-Chancellors were not to be trusted to make their nominations in an absolutely conscientious manner. But we must look at facts, as they exist. A Chancellor in an Indian University is the Head of the Government, and it has happened in the past and may happen again that he takes little or no interest in University matters, especially in connection with the nomination of Fellows. In such cases the work is likely to be left to the Secretary who is in charge of the Education Department. Now, unless it is to be insisted that every member of the Civil Service and every officer of Government must be trusted absolutely, I really do not think that any exception need be taken to the argument that proper care may not be taken at times in the appointment of Fellows."

The Hon'ble SIR DENZIL IBBETSON said :—" I really think, my Lord, that it is time to protest against this bogey of the Secretary in one Department or another. We are constantly being told that the orders of Government are really the orders of a Secretary, or as often as not of an Under Secretary. Now I have always regarded this assertion somewhat in the light of the bogey which is held up by one naughty boy to frighten other naughty boys, and in which no one is expected to believe much, and least of all the boy who holds it up. I have always regarded it in that light, because I cannot conceive how any reasonable man can suppose that, on any subject of importance, an order can possibly be passed by a Secretary or Under Secretary without the approval of the Head of the Province under whom he is serving. Yet I can hardly think that the Hon'ble Mr. Gokhale would repeat this reference with

[*Sir Denzil Ibbetson ; Dr. Bhandarkar ; Mr. Gokhale ;* [18TH MARCH, 1904.]
Mr. Raleigh.]

respect to the Education Department three times, as he has already done this morning, unless he really does believe that what he says has something at the bottom of it. I speak with a considerable administrative experience, both as Secretary to Government and as Head of a Province. And I can assure the Hon'ble Member, and any other Hon'ble Members who may need the assurance, that the idea that any Secretary would dream of passing orders on a case of this importance without a reference to, and distinct orders from, the Head of the Government under whom he serves is both fantastic and absurd."

The Hon'ble DR. BHANDARKAR said:—"I should like to say a word on this question of making appointments to the Universities. I can say from my own experience that while I was Vice-Chancellor at Bombay and Lord Harris Chancellor, on the occasions of making appointments to Fellowships he consulted me and made the appointments himself. He did not leave anything to Secretaries or any body else."

The motion was put and negatived.

The Hon'ble MR. GOKHALE moved that in clause 5, sub-clause (2), the words "additions to or" be omitted, and in the proviso to the same sub-clause for the word 'ten' the words "the number specified in the said schedule" be substituted. He said:—"The effect of this amendment would be to take away from the Chancellor the power to make additions to the list of *ex officio* Fellows, though it leaves untouched his power to make alterations in the list, provided the present number is not exceeded. Already the Chancellor possesses the power to appoint directly eighty per cent. of the Senate, and ten per cent. more will be appointed at the instance of his nominees. There is thus ample margin for him to put whomsoever he pleases in the Senate, and the discretion to add to the list of *ex officio* Fellows, bestowed on him by the clause under consideration, is not required."

The Hon'ble MR. RALEIGH said:—"My Lord, it is quite obvious, and we have acknowledged more than once, that if the total number of the Senate is limited the number of non-official Fellows ought also to be limited. I submit that the scheme of the Bill in this respect is an eminently practicable and reasonable one. In no case is the number to exceed ten, and in the case where the scheduled list of officers does not attain to the number ten we have left to the Local Government a certain discretion in regard to the powers that they have under the Bill, and this I for one see no good reason to disturb. I oppose the amendment."

The motion was put and negatived.

[18TH MARCH, 1904.] [*Mr. Gokhale; Mr. Raleigh.*]

The Hon'ble MR. GOKHALE moved that in clause 6, sub-clause (1), for the words "shall not be less than fifty nor exceed one hundred" the words "shall be one hundred and fifty" be substituted. He said:—"I attach considerable importance to this amendment. Its effect will be to fix the number of Fellows in the three older Universities at 150 instead of a minimum of 50 and a maximum of 100 as is proposed in the Bill. In the remarks which I made this morning on the Bill as amended by the Committee, I observed that if the number is too small, there would not be much margin for the inclusion of any except the most prominent Indians in it. As regards European educationists, I think almost everyone of them will be a member of the Senate. I gathered from certain remarks that fell from the Hon'ble Member in charge of the Bill in Select Committee that even the whole of the maximum of one hundred laid down in the Bill will not be appointed at the commencement of the new Act, and that the Senates in the three older Universities will for some time to come consist of some sixty or seventy members only. Of these ten are to be elected by Graduates, and they will in all probability all be Indians. Then nearly all the European Professors will be appointed by Government. In the Bombay University, there are, in all the Colleges affiliated to it, between fifty and sixty European Fellows. If therefore the new Senate is to consist of, say, seventy—or even the maximum one hundred—it is clear that there will be hardly any room in the Government list for any except a few most prominent Indians—as European Professors, Civilians, Judges, Barristers, Engineers, Doctors and others will practically exhaust nearly all available space in the list."

The Hon'ble MR. RALEIGH said.—"My Lord, as this is the first amendment which attacks the figures of the Bill, I may as well say in general terms that I shall adhere to the scheme of the Bill, which has been very carefully considered and amended in Select Committee, and that I do not see my way to accept any of these amendments. As to the number which we fixed for the Senate, I would begin by saying that the qualifications for a member of the new Senate appear to me to be these—that, in the first place, he should be competent to give an authoritative opinion upon questions of University administration; and, in the second place, he should be able and willing to give regular attention to University business, that is, to attend all or nearly all meetings of the Senate. Now, if we leave the abstract principle for which the Hon'ble Mr. Gokhale has been contending, and come to the concrete facts, you will find that the difficulty is not in bringing our Senate within 100, but in getting anything like 100 persons possessing both of these qualifications: I think it would be unwise to fix a larger number than 100, as a maximum that is: and also I think

[*Mr. Raleigh; Mr. Bilderbeck.*] [18TH MARCH, 1904.]

it would be unwise to insist that the maximum number named in the Bill shall in all cases be appointed. Either in the one case or in the other I think you run a great chance of including, in order to fill up the number, persons who are really not qualified to be members. A man may be extremely competent but he may be so far from the headquarters of the University, or he may be so situated as regards his business or his teaching work, that he is not able to attend the Senate. The great argument against the small Senate is that it cannot be made representative. Representative in the highest sense of the word I hope the Senate always will be. In the first place, I hope that it will represent the best opinion of the Province on academic questions; in the second place, I hope that the result of the working of the scheme of the Bill will be that the best men of each class with which the University has to deal will be able to find their way into the Senate; but perhaps those who wish to have a large Senate, and assume that it will always be perfectly easy to find a large number of gentlemen competent to be members of the Senate, are using the word in the sense in which it is applied to Municipalities and similar bodies. In that sense a Senate cannot be made representative. I will take an illustration from my own experience as Vice-Chancellor. I am constantly getting letters from outlying districts, saying that there is a body of students, say, from Behar or Orissa, that they have not been duly considered in making arrangements for a certain examination, and it is suggested that there is nobody in the Syndicate who understands what the circumstances of the Behar or Orissa students are. Suppose the complaint to be well founded, what is the inference to be drawn? Not surely that we must send for Syndics from Behar or Orissa, but that the Syndicate should be so composed and so careful in collecting all the necessary information before they come to a decision on questions of principle that Behar and Orissa and all other places that are subject to the University will each have its fair share of consideration. Those are the arguments which lead me to decline the proposal now made."

The Hon'ble MR. BILDERBECK said:—"I should like to enter into some detail on this matter, as it is one of great importance, and though most of the speeches have already traversed some of the ground, I do not propose to deal with the general question of the reconstruction of Senates, but I have no hesitation in saying that, in my opinion, the sections of the Bill which place statutory restrictions on the size of the Senates, and which limit the period of tenure of appointments to Fellowships, are among the most important in the Bill. I am convinced that if the question before the country were not the reorganisation of existing Universities, but the best form of constitution to be given to a Univer-

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[*Mr. Bilderbeck.*]

sity that it is proposed newly to establish in the light of the experience obtained from the work of the older Universities, the wisdom and propriety of the proposed measure would be recognized by many of those who now oppose the Bill.

“The proposals to reduce the size of the Senates and fix a maximum for the different Senates make, in my opinion, for efficiency. In the first place, it may be taken as axiomatic that smaller and more compact administrative bodies, provided they are adequately representative and large enough to insure a full and effective consideration of matters brought before them, are likely to discharge their duties more efficiently than larger corporations. In the former, we may expect to find a stronger sense of responsibility among individuals and a greater alertness and vigour in the mass. Larger corporations exhibit a tendency to develop dropsical habits of body. In the second place, if appointments to the Senates of the future are to be made, not in the interests of individuals, but in the interests of the Universities, it must follow that with a smaller Senate, limited in size to a fixed maximum, it will be absolutely necessary for a Chancellor to pay special attention to the qualifications of a person whom he may propose to appoint. The smaller the Senate, the greater must be the care exercised in the selection of its members: the greater the care in selection, the more efficient the Senate.

“But it is not only the requirements of efficiency that dictate the measure under discussion. It is absolutely necessary in view of the social, economical and political conditions of India, where it is, and it will be for many years, hardly practicable to get together 150 or 200 persons who, besides possessing the necessary academic qualifications, will also have the time and opportunities for taking an active and efficient part in the administration of Universities. The two-fold character of these qualifications must be carefully recognized. There may be men in the country who, though they have the necessary academic position to justify their appointment as Fellows, are not in a position to take any active or effective part in the deliberations of the Senate, and it is obvious that if such men were appointed to a Senate as mere dummies, a meeting of the Senate might be far from possessing a representative character. In this connection, I may mention that in 1901-2 there were 181 members on the rolls of the Senate of the Madras University; of these, 47 had not attended a single meeting for three years, while for the same period the average attendance at meetings was only 51. If deductions were made for those who only on rare occasions attended these meetings, it would appear that the effective working Senate of the Madras University practically consisted of about 40 members. The experience of Madras, which is perhaps not without analogy elsewhere, points

[*Mr. Bilderbeck; Mr. Morison.*] [18TH MARCH, 1904.]

to the difficulty that must necessarily be experienced in forming Senates the members of which will be in a position to take an active part in University matters.

"I wish also in particular to point out that, while in some Universities there would, I believe, be little difficulty in finding a sufficient number of Indian graduates qualified in all respects to take a useful and effective part in the business of a Senate limited to 100 Fellows or even to 150 Fellows, considerable difficulty will, on the other hand, be experienced in providing in adequate measure, even in a Senate limited to 100, for that complement of men trained in the schools of Europe or America, which, in view of the requirements and higher interests of an educational system that has been almost entirely borrowed from the West, is absolutely essential to the well-being of an Indian University and is admitted to be essential by many educated members of the Indian community. In justification of this statement it is only necessary to point out that in consequence of leave taken out of India, official transfers and retirements, the available European academic material is subject to a larger proportionate drain than is the case with those who are permanently resident in India.

"I think, then, that the conditions of recruitment and the requirements of efficiency point clearly to the need for smaller Senates in which the number of members should be limited by statute.

"The chief argument advanced in favour of the creation of larger Senates is that Senates with the limitations proposed in the Bill cannot be adequately representative of the various interests and activities involved in the life and work of Universities. To this I must reply that the argument appears to overlook the subsidiary provision which limits the period of tenure of a Fellowship. This provision has practically the effect of amplifying the representative capacity of a Senate, inasmuch as interests that are unrepresented or inadequately represented one year may be provided for by re-adjustment in another year. Further, the argument is a mere statement of opinion and may fairly be countered by the opinion of those who think that smaller Senates such as those contemplated in the Bill will serve all the purposes required of them. The latter critics are in a position to fortify their opinion by instancing the case of the University of London, the Senate of which, though it has to deal with more complicated interests and more highly developed activities than any Indian University, consists of only 54 members."

The Hon'ble MR. MORISON said :—"It seems to me that if the Senates are to be working bodies, they must be small. There are two possible ways of

[18TH MARCH, 1904.] [*Mr. Morison; Mr. Pedler.*]

administering the University. Either the real control may be in the hands of the Syndicate, and the Senate be reduced to the level of a large debating society meeting once or twice a year, or the actual control of the University be placed in the hands of a Senate which meets frequently, possesses a definite policy and is intimately acquainted with the educational questions of the day. In my own University the effective control of the Senate has been lost, and all real power has passed into the hands of the Syndicate. This gives us in practice a very workable constitution, but it is not one which redounds greatly to the dignity of the Senate. The principle of this Bill is to make the Senates working bodies with real administrative control and to reduce the Syndicates to their original position of the committees of the Senate; if you accept that principle, it surely is almost a self-evident proposition that the Senates must be small bodies. Unless the majority of members can attend every meeting it is impossible for any assembly to maintain a continuity of policy; for when a considerable proportion of a deliberative body attends irregularly and at haphazard there is no guarantee that the decision of one meeting will not be reversed at the next, and the difficulty of securing a full attendance varies directly with the number of the assembly. The real question upon which we are voting is whether in practice the control of the University is to be with the Senate or the Syndicate."

The Hon'ble MR. PEDLER said:—"I should like to add a few words to what has fallen from the Hon'ble Member in charge of the Bill and the two last speakers. It appears to me the mover of the amendment has lost sight of the fact that the new Senates are to be totally different in character in some respects from the old.

"One of the fundamental points laid down in the Report of the Universities Commission was that the gentlemen to be appointed to the Senates were to attend and not to stay away. At the present time for instance on the Calcutta University Senate we rarely get an attendance of more than from forty to seventy, even when points of very considerable importance are to be discussed, though our Senate consists of more than 150 Fellows. Now if we are to accept the Hon'ble Mr. Gokhale's amendment to work our Senates up to 150, to my mind the question will resolve itself into whether we should have a large Senate, a considerable proportion of the members of which will be more or less undistinguished, or whether we should keep our Senates down to comparatively small numbers as shown in the Bill when we may have men who really understand their work, and who I won't say are distinguished—for very few people in this country are distinguished—but who will really understand the

[*Mr. Pedler ; Mr. Gokhale.*] [18TH MARCH, 1904.]

questions of education which are likely to come up. I should sum up this part of what I have to say by remarking that I prefer a small but distinguished—an academic—Senate to a large Senate of inefficient persons.

“Another point which seems to have been lost sight of both by the Hon’ble Mr. Gokhale and the gentlemen who followed him in the discussion is that there is one clause in the Bill which enables the Faculties to co-opt members up to the limit of half their number. Now practically every man on the Senate would be a member of one particular Faculty, and hence for all purposes of discussion—not of course of control—but for all questions of expert discussions, our Senates may in the case of the older Universities run between 75 and 150, and in the case of the newer Universities may run between 60 and 112. My own feeling is that, in the Bill if anything, the numbers have been fixed too high rather than too low. Now the Hon’ble Mr. Raleigh in his remarks has stated certain facts with reference to the difficulty of forming Senates—say in Bengal—of the full number of 100. I know the educational conditions of Bengal fairly well. I know most of the Colleges and the Professors, and personally I should say, if the future Senate is to consist of those who have been called distinguished members, it is likely it will be impossible to work up to the number of 100, and certainly quite impossible to work up to 150. I say this after due deliberation, and, as I have said, with a knowledge of the people in Bengal extending now over 31 years. I therefore wish to oppose the amendment.”

The Hon’ble MR. GOKHALE said:—“I will just say one word in reply. I fully recognise the force of the remarks made by the Hon’ble Member in charge of the Bill. If it is intended to fix the standard of Fellowship as high as he contemplates—the standard that he obviously has in view when he brings in the analogy of the London University—then I quite admit that it may not be possible to find 150 or even 100. But with that standard, will the Hon’ble Member tell me if he hopes to find, not to talk of one hundred, but fifty or forty or even thirty men in a Province? Since then it is a comparative question, and since you are going to work up to 70, 80, or 100, the question is whether you might not go further. I would allow the teaching element to be in a strong position, to be even in a preponderance; but I would certainly have others associated with the teaching element, because the interests to be considered in this country are so conflicting even in matters of education. Technical matters about education I would leave exclusively to experts. But in the present state of things in India, thoughtful Indians of sound education and broad views ought to be allowed an equal voice with the experts in shaping the larger educational policy of our Universities, as far as it rests with these bodies to shape that policy.

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[*Mr. Gokhale.*]

“The Hon’ble Mr. Bilderbeck said that after all what number the new Senate should consist of was a matter of opinion. That is perfectly true, and we are able in this matter to quote opinions that are of weight. In Madras, for instance, we have the Rev. Dr. Miller on our side, and his position nobody will dispute. We have also the Madras Government with us, for the Madras Government proposed 150 in their first letter to the Government of India. We have on the Bombay side a man like Mr. Selby, one of our foremost educationists in favour of 150. Sir Raymond West’s draft Bill, to which I have already referred, proposed to fix the number at 200. Of course I quite recognise that the number has got to be arbitrary, and if the Government has made up its mind that it is not to exceed 100, well there is no help for it.”

The Council divided :—

Ayes—4.

The Hon’ble Dr. Asutosh Mukhopadhyaya.

The Hon’ble Nawab Saiyid Muhammad.

The Hon’ble Mr. Gopal Krishna Gokhale.

The Hon’ble Rai Sri Ram Bahadur.

Noes—17.

The Hon’ble Rai Bahadur Bepin Krishna Bose.

The Hon’ble Mr. D. M. Hamilton.

The Hon’ble Mr. J. B. Bilderbeck.

The Hon’ble Dr. Ram Krishna Gopal Bhandarkar.

The Hon’ble Mr. T. Morison.

The Hon’ble Mr. A. Pedler.

The Hon’ble Mr. H. Adamson.

The Hon’ble Mr. E. Cable.

His Highness the Agha Khan.

His Highness the Raja of Sirmur.

The Hon’ble Mr. A. W. Cruickshank.

The Hon’ble Sir Denzil Ibbetson.

The Hon’ble Sir A. T. Arundel.

The Hon’ble Major-General Sir E. R. Elles.

The Hon’ble Mr. T. Raleigh.

His Excellency the Commander-in-Chief.

His Honour the Lieutenant-Governor of Bengal.

So the motion was negatived.

[*Dr. Asutosh Mukhopadhyaya.*] [18TH MARCH, 1904.]

The Hon'ble DR. ASUTOSH MUKHOPADHYAYA moved that in clause 6, sub-clause (1), for the words "shall not be less than fifty nor exceed one hundred" the words "shall be one hundred" be substituted. He said :—"The object of this amendment is to fix the number of Ordinary Fellows, in the case of the Universities of Calcutta, Bombay and Madras, at one hundred. In the Bill as amended by the Select Committee it is provided that in the case of the Universities of Calcutta, Bombay and Madras, the number of Ordinary Fellows shall not be less than fifty nor exceed one hundred. This, I concede, is a slight improvement upon the Bill as introduced in Council which was silent about the minimum limit which had been fixed by the Act of Incorporation at thirty for the Universities of Calcutta and Madras and at twenty-six for the University of Bombay. In my opinion fifty as minimum limit is too low, and I believe that it would be found inadequate for proper representation of the various educational interests which ought to be represented on the Senate; to take one illustration, even if we confine our attention to the studies included within the scope of the Faculty of Arts, there must be adequate representation of Government, aided and unaided institutions. But we must not lose sight of the very important fact that besides this representation of what may not improperly be considered as personal or class interests there is a higher representation, namely, the full and adequate representation of every department of study included within the scope of the University. The field of education is so vast and varied, and educational problems often involve such complex and difficult matters, that the combined reason of even the best fifty men may not be a sufficient safeguard for that elimination of personal equations which is absolutely necessary for the proper solution of those problems. I do not overlook the fact that the University of London has, under the new statutes, a Senate of fifty-six, and I shall not be surprised if the question were asked when the University of London can work with a Senate of fifty-six why should not the Indian Universities be safely entrusted to and be efficiently managed by Senates of much smaller number. The answer is two-fold :—In the first place, we cannot get here in India experts of the eminence and distinction available in London; in the second place, if the Indian Universities are really to prosper, in addition to University and College teachers, we must have on the Senate persons distinguished for their attainments in any branch of learning who may not be actually engaged in the work of teaching, representative members of the learned professions, and representatives of Government. If these classes are not adequately represented on the Senates they will be found lacking in strength and representative character, and consequently must prove inadequate to the duties imposed upon them. I would, therefore, suggest, without any hesitation, that the number should be fixed at one hundred."

[18TH MARCH, 1904.] [*Mr. Raleigh ; Dr. Bhandarkar ; Mr. Gokhale.*]

The Hon'ble MR. RALEIGH said :—" My Lord, I have very frequently had occasion to consider the question of numbers, and I have considered it not on abstract principles but in a concrete and practical way. In doing so I have borne in mind that the Senate of a University ought not to be composed entirely of teachers. I quite agree that there ought to be representatives of the professional and the educated classes of the country if the Senate is to be really efficient. Keeping all these considerations in mind, when the Commission was making its enquiries, I took occasion to go through the Senate list in the case of each of the five Universities with some person having local knowledge, to see how many persons could be selected as suitable members of the kind of Senate which the Commission apparently at that time was going to recommend and which it has since in fact recommended ; and the difficulty I always had was in getting up to anything like the smallest of the figures that was suggested for our consideration. Take for instance the case of Calcutta, the one with which the Hon'ble Dr. Mukhopadhyaya and I are most familiar. If you accept the tests for membership of the Senate which I have suggested, and if you insist on those tests, and especially on regular attention to University business, you can make out a list of the Calcutta Senate, but so far as I have gone yet I will not tell Dr. Mukhopadhyaya exactly what the figure is that I have reached, but it falls a considerable way short of 100. Now there are two ways of dealing with the situation. If you say that the number 100 must be fixed as a necessary number, the result will be that you will have to bring in people who have no particular claim to be there. On the other hand, you can put the 100 as a maximum, not absolutely requiring the Chancellor to work up to it, but allowing him, if he thinks fit, to appoint 70 or 80 at the start of the new constitution ; and you may leave him thus a reserve of power which he can most usefully bring into play afterwards, if the balance of the Senate requires in any way to be altered. I would therefore adhere to the provisions of the Bill, and do not see my way to accept this amendment."

The Hon'ble DR. BHANDARKAR said :—" The amendment says that the number shall be 100 ; but if by some accident on an occasion the number becomes 99 by a member dying or retiring, would a Senate of 99 be legal ? If not, then the Senate, being illegal, could not transact any business. If the phrase were to run ' shall not exceed 100 ', that would of course cover it."

The Hon'ble MR. GOKHALE said :—" There is a provision in this Bill which validates the acts of the Senate when by accident the number is not what it should be or any similar irregularity takes place, so that the Hon'ble Member's apprehensions are groundless."

The motion was put and negatived.

[*Dr. Asutosh Mukhopadhyaya ; Mr. Raleigh.*] [18TH MARCH, 1904.]

The Hon'ble DR. MUKHOPADHYAYA moved that in clause 6, sub-clause (2), for the word "fifty" the word "seventy-five" be substituted. He said:—"I venture to move this amendment although I am fully impressed with the fact that we are not likely to obtain upon this point any concession whatever. I have already stated fully the reasons why in my opinion fifty is too small a number for a Senate in the case of the three older Universities, and I therefore venture to suggest that the minimum should be seventy-five. I think it will be found that seventy-five is the minimum number with which a truly representative Senate can be constituted, that is to say, representative of the different educational interests, as also of the various departments of study included within the scope of the University."

The Hon'ble MR. RALEIGH said:—"My Lord, the minimum number fixed by the Act of Incorporation is thirty. It was suggested in Committee that we should raise the minimum to fifty and, as Member in charge of the Bill, I agreed to that. I do not think there is any necessity for going further as far as the minimum is concerned, and I propose to adhere to the Bill as amended."

The Council divided:—

Ayes 4.

The Hon'ble Dr. Asutosh Mukhopadhyaya.
The Hon'ble Nawab Saiyid Muhammad.
The Hon'ble Mr. Gopal Krishna Gokhale.
The Hon'ble Rai Sri Ram Bahadur.

Noes 17.

The Hon'ble Rai Bahadur Bepin Krishna Bose.
The Hon'ble Mr. D. M. Hamilton.
The Hon'ble Mr. J. B. Bilderbeck.
The Hon'ble Dr. Ram Krishna Gopal Bhandarkar.
The Hon'ble Mr. T. Morison.
The Hon'ble Mr. A. Pedler.
The Hon'ble Mr. H. Adamson.
The Hon'ble Mr. E. Cable.
His Highness the Agha Khan.
His Highness the Raja of Sirmur.
The Hon'ble Mr. A. W. Cruickshank.
The Hon'ble Sir Denzil Ibbetson.
The Hon'ble Sir A. T. Arundel.
The Hon'ble Major-General Sir E. R. Elles.
The Hon'ble Mr. T. Raleigh.
His Excellency the Commander-in-Chief.
His Honour the Lieutenant-Governor of Bengal.

So the motion was negatived.

[18TH MARCH, 1904.] [*Mr. Gokhale ; Mr. Raleigh ; Mr. Pedler.*]

"The Hon'ble MR. GOKHALE moved that in clause 6, sub-clause (1), head (a), for the word "ten" the words "not less than one-fourth and not more than one-third" be substituted. He said:—"The effect of this amendment will be to confer on the Graduates a larger franchise than what is proposed in the Bill. I have already more than once said in this Council that ten seats out of one hundred is too small a proportion to be thrown open to election by Graduates after fifty years of University education. In all other bodies—in Municipalities and Local Boards, in Local and Supreme Legislative Councils—a much larger proportion is thrown open to election. I think between one-third and one-fourth will be quite a safe proportion in the present case and should be accepted."

The Hon'ble MR. RALEIGH said:—"My Lord, we propose an election of Graduates under which there will be, when the Bill comes into force, regular elections every year. I have already had occasion to say that while I think the exercise of elective rights in the past has had good results, it has also been attended with some drawbacks. I think that under the present conditions two elections a year, so far at least as Calcutta is concerned, are sufficient, and therefore, I oppose this amendment."

The Hon'ble MR. PEDLER said:—"I wish to ask in the first instance what the Hon'ble Mr. Gokhale really means by this amendment. He uses the words 'not less than one-fourth or more than one-third'. Does he mean one-fourth to one-third of the minimum of 50, or one-fourth to one-third of the maximum of 100. As the amendment stands it seems to me difficult to deal with it. If he wishes to apply his fraction to the maximum or minimum, it might provide for nominating 33 out of a Senate of 50, or it might provide for nominating 33 out of a Senate of 100. Passing away from that particular point, I should like to say that previous experience in Calcutta has not been of so gratifying a nature as would make it desirable to extend the proportion of elected Fellows. As Your Excellency yourself said, out of about 24 of these gentlemen who have been elected since the year 1890 to be Fellows of the Calcutta University about 20 have belonged entirely to one profession. If I were also to be asked to characterise the proceedings at these elections, so far as I am acquainted with them, I should say that the power of canvassing is synonymous with the probability of election. I believe that it is not because any one particular man has been distinguished for academic learning or distinguished in any other way that he has been elected but rather that he has been an extremely good canvasser. Practically almost all or at all events a very

[*Dr. Asutosh Mukhopadhyaya ; Mr. Raleigh.*] [18TH MARCH, 1904.]

experimental measure in 1890 by Lord Lansdowne upon the recommendation of the first Indian Vice-Chancellor of the Calcutta University. The system was in operation for a period of ten years, and whatever criticisms may be levelled against it, it must be conceded by the most unfriendly critic that the qualifications of the persons returned by the Graduates will compare very favourably with the qualifications of persons ordinarily appointed as Fellows by the Government. It would be idle to contend that the result of the election in every instance was entirely satisfactory and absolutely beyond criticism. I am quite prepared to admit that although in three or four instances my fellow Graduates returned persons of great distinction whose claims had been most unjustly overlooked by the Government, yet in other instances the result of the elections was open to criticism and better results might have been obtained if suitable safeguards had been provided. But I have no sympathy with unfriendly critics who are narrow-minded enough to be in constant dread of the elective system and who apply to the results of election in this country a standard of criticism which they would not venture to apply in Western countries. I maintain that in determining whether the elective system is to be continued or extended, the real test to be applied is, not whether in every instance the Graduates have returned the very best man available, but whether the men whom they have actually returned are well qualified to be members of the Senate and quite as competent as the majority of Fellows nominated by the Government. If this test is applied, I state without hesitation that the results of past experience have been on the whole encouraging, that the statutory recognition of the elective system is not merely justifiable, but necessary and desirable, and that there are good grounds for raising the number of elected Fellows in the manner I have suggested. I would only add that, so far as the election by the Faculties is concerned, having regard to the position and attainments of the persons who will presumably constitute the Faculties, they may safely be entrusted with the privilege of electing a larger number of Fellows than is provided in the Bill."

The Hon'ble MR. RALEIGH said :—" My Lord, our experience of election in the Universities has been a short one. As the debate shows, we are not able to speak as to the result unless in qualified terms. Some day in the future Government may say election has been an unequivocal success and may on that ground propose to extend the operation of the principle, but in present conditions I think the provisions of the amended Bill are sufficient and I propose to adhere to the principle."

[18TH MARCH, 1904.] *Mr. Raleigh; Dr. Asutosh Mukhopadhyaya; Mr. Gokhale.*]

The Council divided :—

Ayes 5.

The Hon'ble Dr. Asutosh Mukhopadhyaya.
The Hon'ble Rai Bahadur Bipin Krishna Bose.
The Hon'ble Nawab Sayid Muhammad.
The Hon'ble Mr. Gopal Krishna Gokhale.
The Hon'ble Rai Sri Ram Bahadur.

Noes 16.

The Hon'ble Mr. D. M. Hamilton.
The Hon'ble Mr. J. B. Bilderbeck.
The Hon'ble Dr. Ramkrishna Gopal Bhandarkar.
The Hon'ble Mr. T. Morison.
The Hon'ble Mr. A. Pedler.
The Hon'ble Mr. Adamson.
The Hon'ble Mr. E. Cable.
His Highness the Agha Khan.
His Highness the Raja of Sirmur.
The Hon'ble Mr. A. W. Cruickshank.
The Hon'ble Sir Denzil Ibbetson.
The Hon'ble Sir A. T. Arundel.
The Hon'ble Major-General Sir E. R. Elles.
The Hon'ble Mr. T. Raleigh.
His Excellency the Commander-in-Chief.
His Honour the Lieutenant-Governor.

So the motion was negatived.

The Hon'ble DR. ASUTOSH MUKHOPADHYAYA moved that in clause 6, sub-clause (1), head (b), for the word "ten" the word "fifteen" be substituted. He said :—"I have fully stated, in connection with the motion for an increase in the number of Fellows to be elected by registered Graduates, my reasons for an increase in the number of Fellows to be elected by the Faculties, and I have nothing further to add."

The motion was put and negatived.

The Hon'ble MR. GOKHALE moved that in clause 6, sub-clause (2), for the words "not be less than forty nor exceed seventy-five" the words "be one hundred" be substituted. He said :—"The effect of this amendment will be to fix the numbers of the Senates of the Allahabad and Punjab Universities at 100. The Punjab University began with 119 Fellows. The Allahabad University began with 32 ordinary and a large number of *ex officio* Fellows. They have, I believe, now over 100. I think, my Lord, that 100 is a reasonable figure and there is no reason why Government should cut it down."

[*Mr. Raleigh ; Mr. Morison ; Dr. Asutosh Mukhopadhyaya.*] [18TH MARCH, 1904.]

The Hon'ble MR. RALEIGH said :—" My Lord, I do not think that in Committee any one denied that there must be a certain difference between the three older and the two junior Universities. The figures were settled in Committee as they stand in the Bill, and I propose to adhere to them."

The Hon'ble MR. MORISON said :—" The figure was accepted by the Syndicate of Allahabad University upon the ground which we arrived at by looking through the list that there were about 30 Fellows out of 108 still on the Allahabad University either incapable of attending the meetings of the Senate or who had never in the past attended any University, and we came to the conclusion that in practice it would make no difference to our Senate if we accepted the numbers suggested by the Universities Commission and in the draft Bill. It would merely have the result of improving our Senate by getting rid of the sleeping partners."

The motion was put and negatived.

The Hon'ble DR. ASUTOSH MUKHOPADHYAYA moved that in clause 6, sub-clause (2), for the words " shall not be less than forty nor exceed seventy-five " the words " shall be seventy-five " be substituted. He said :—" The object of this amendment is to fix the number of ordinary Fellows in the case of the Universities of the Punjab and Allahabad at seventy-five. When I asked the Council to accept my motion that in the case of the Universities of Calcutta, Bombay, and Madras, the number of Ordinary Fellows should be fixed at one hundred, I pointed out as fully as I could the inconvenience and to some extent the danger of having too small a Senate ; with a Senate so restricted, the chances of its being officialised are by no means too remote, and I venture to suggest that the numbers in any event should be fixed at seventy-five."

The Hon'ble MR. RALEIGH said :—" My Lord, the Council has already rejected the principle of this amendment, and therefore I oppose it."

The motion was put and negatived.

The Hon'ble DR. ASUTOSH MUKHOPADHYAYA moved that in clause 6, sub-clause (2), for the word " forty " the word " sixty " be substituted. He said :—" The object of this amendment is to raise the minimum from forty to sixty in the case of the number of Ordinary Fellows for the Universities of the Punjab and Allahabad. The Bill, as originally introduced into Council, was silent upon this point. Consequently the minimum for the University of the Punjab was fifty as fixed by the Act of Incorporation of 1882, and the minimum for the

[18TH MARCH, 1904.] [*Dr. Asutosh Mukhopadhyaya*; *Mr. Raleigh*; *Mr. Gokhale*.]

University of Allahabad was thirty as fixed by the Act of Incorporation of 1887. If in 1882 it was thought necessary and practicable that the University of the Punjab should have a Senate of at least fifty, it is a singular commentary upon the spread of education in that Province during the last twenty-two years that in 1904 it should be thought necessary to prescribe a minimum of forty. Moreover, if in November 1903, when this Bill was introduced, the Punjab University was left with a minimum of fifty Fellows, it does seem extraordinary that in February 1904 it should be thought necessary to reduce the number to thirty. Indeed, if I may say so without impropriety, there is no intelligible reason why in the case of any of the Indian Universities the number of Ordinary Fellows should be fixed so low as forty. I would consequently suggest that the number should be sixty."

The Hon'ble Mr. RALEIGH said :—"The supposed inconsistency of Government has nothing in it, I think. The suggestion to deal with the minimum number of Fellows was made in Committee, and I think by a non-official member of the Committee. The Committee has fixed in the case of Allahabad and the Punjab as the number answering to fifty in the scheme of the older Universities. I think that the reasons for this are tolerably clear, and I need not offer an elaborate argument to induce the Council to reject this amendment."

The motion was put and negatived.

The Hon'ble MR. GOKHALE moved that in clause 6, sub-clause (2), for heads (a) and (b) the following head be substituted, head (c) being re-lettered (b), namely :—

"(a) not less than one-half shall be elected by the Senate and by registered Graduates in such proportions as the Chancellor may from time to time determine."

He said :—"The object of this amendment is two-fold—first, to prevent the proportion of seats known open to election being cut down from 50 per cent. to 20 per cent. as is proposed; and, secondly, to ensure that election by Graduates, to however limited an extent, should be introduced at once in the two Provinces. I submit, my Lord, that no case has been made out for the retrogression involved in reducing the proportion of elected members from one-half to one-fifth in the two Senates. Also, as there is a considerable constituency of qualified Graduates available, there is no reason why that constituency should not be permitted to exercise the franchise at once."

[*Mr. Raleigh ; Rai Sri Ram Bahadur.*] [18TH MARCH, 1904.]

The Hon'ble MR. RALEIGH said :—" My Lord, the whole scheme of this Bill is meant to be consistent. The two junior Universities are dealt with on the same principle as the three older Universities, and I must decline an amendment of this kind which makes so large a breach in the scheme presented to Council by the Select Committee. I may point out that one effect of the rules proposed by Mr. Gokhale is that it would immediately introduce election by Graduates in Allahabad and Lahore ; and it does not appear that this form of election is demanded by any preponderating body of local opinion in either case."

The Hon'ble RAI SRI RAM BAHADUR said :—" My Lord, I support this amendment as it is in effect the same as No. 41 standing against my name in the agenda paper. The principle that the Graduates of the two Universities should have the right of election of Fellows is recognised in the Bill. It is only the exercise of this right which is postponed. I do not advocate that the right of election should be exercised solely by the Graduates to the exclusion of the Senate. It should be exercised by both the Senate and Graduates concurrently. The proportion of the numbers in which the Fellows should be elected by the two bodies should be fixed by the Chancellor from time to time. The University of Allahabad has now been in existence for a period of more than 16 years. It has conferred the M. A. degree on 260 persons, whilst the University of Bombay has only 231 and that of Madras 141 Masters of Arts. There does not appear, my Lord, to be any reason for postponing the exercise of this privilege by the Graduates of the Allahabad University. The Hon'ble Law Member, has been pleased to remark that the only man who demands this right is Pandit Sundar Lal. My Lord, that gentleman does not ask for this right personally. He is President of the Graduates' Association and the memorial which has come over his signature comes from the Graduates' Association and represents the views of the entire educated community of the United Provinces."

The motion was put and negatived.

The Hon'ble RAI SRI RAM BAHADUR moved that in clause 6, sub-clause (2), for the word "Universities" the word "University" be substituted and the words "and Allahabad" be omitted. He said :—" My Lord, the amendments Nos. 29 and 30 in the agenda paper are parts of one proposal. Therefore, with Your Lordship's permission, I shall offer my remarks on both these amendments in one. The scope of these amendments is, of course, confined to the Allahabad University.

[18TH MARCH, 1904.] [Rai Sri Ram Bahadur.]

“ In the first part of the amendment I propose that the constitution of the Senate of the Allahabad University should be on the principles indicated in the next part of the amendment.

“ Instead of a maximum of 75 there should be no limit in the number of Fellows and the minimum should be fixed at 80 instead of 40. My Lord, at the first blush it might appear that the proposal is open to the objection that it does away with the fixing of a maximum; but against this a safeguard is provided in the next part of the amendment proposed by me, that half the number of Ordinary Fellows should be appointed by the Chancellor, or in other words by the Government; the other half should be elected by the Senate and the registered Graduates in such numbers as may be fixed by the Chancellor. Therefore, if the Government will take care not to exercise its power of appointment to a larger extent than is necessary, there is no danger of the Senate growing into an unwieldy body. As the number of elected Fellows will be equal to that of the appointed ones, the latter class together with the *ex-officio* Fellows will always give a majority to Government. No apprehension should be entertained of the preponderance of the non-official element in the Senate. This position of mine is further strengthened by the experience of past elections made by the Senate of the Allahabad University, which shows that this privilege has been exercised with great discrimination. Of the 42 elected Fellows now on the rolls, 11 are Government servants, of whom 9 belong to the Educational Service of the Province. Of the remaining 31 no less than 21 are Principals and Professors of collegiate institutions not managed by Government. Thus in making elections in the past great consideration was given to the educational interest being very adequately represented. We find that no less than 30 men of that class were elected.

“ The Local Government hold a very strong view on this subject. In their letter addressed to the Government of India they say as follows :—

‘ The Lieutenant-Governor agrees with the Syndicate that owing to the peculiar condition of education in these Provinces and the past history of the University special provisions are required as regards both the Senate and Syndicate. The present constitution has worked well in the past, and it should in His Honour’s opinion be maintained at least in essentials Opinion in these Provinces is strongly in favour of the retention of the right of the Senate to elect a larger proportion of the Fellows than that laid down in the Bill, and in the case of the Allahabad University no useful purpose will be served by devolving part of this right upon the Faculties. Hitherto the Senate has elected half the Fellows. As the Hon’ble Mr. Raleigh said in his speech, there have been no complaint as to the result. It is proposed in different

[*Rai Sri Ram Bahadur ; Mr. Raleigh.*] [18TH MARCH, 1904.]

quarters and by the Syndicate that 35 Fellows should be elected by the Senate and 40 should be nominated by the Chancellor It is undesirable to break suddenly with the past or to take away from the Senate a privilege which it has used on the whole very well.'

"As regards the nature of representation on the Senate I cannot describe them in more forcible or better language than that of His Honour the Lieutenant-Governor, who in the last Convocation address observed as follows:—

'The University is an independent body' and 'its Senate should contain men of practical wisdom and broad views as well as learned experts. I welcome,' continued His Honour, 'the co-operation of thoughtful and educated men; they know best the wishes of parents, the capacity of pupils, the directions in which effort is most likely to succeed.'

"My Lord, the Head of the Government of the United Provinces in no equivocal words expresses the lines on which the Senate of that University should be constituted. It is only by the recognition of the elective principle more largely that the independence of the University can be maintained and the co-operation of 'expert and practical minds' secured.

"My Lord, the effect of the second portion of my amendment will be to retain the existing law on the subject of the constitution of the Senate, which in fact gives a more extensive power for election than the one proposed to be given by the Bill."

The Hon'ble Mr. RALEIGH said:—"My Lord, the scheme now before us departs in so many points from those principles which guided the Government and the Committee in settling these provisions, that I find myself unable to accept the amendment."

The motion was put and negatived.

The Hon'ble MR. RALEIGH moved that in clause 6 of the Bill as amended, the following be added as sub-clause (4), namely:—

"(4) Elections of Ordinary Fellows by the Faculties and nominations of such Fellows by the Chancellor under this section shall be made in such manner as to secure that not less than two-fifths of the Fellows so elected and so nominated respectively shall be persons following the profession of education."

He said:—"The proposed sub-clause embodies the result of a long discussion. The Government has been asked to consider more than once and

[18TH MARCH, 1904.]

[*Mr. Raleigh.*]

in various forms the proposal that a certain proportion of the new Senates should be reserved for teachers. It is a part of our avowed policy that the teachers in the University should have a larger share of influence in the Senate and a larger number of places there than they have succeeded in securing under the old constitution: and we have been asked, and it is our intention, to agree to certain provisions by which a certain proportion of the Senate should be secured. Personally I have always contended against proposals of that kind, because I have, in some cases, found them embarrassing to work out; and though I quite admit that an unqualified discretion vested in the Chancellor may not be certain to produce a good result, the discretion of the Chancellor will work better if unfettered by rule. At the same time I have to take account of the fact that University teachers—a large proportion of them at all events—do desire to have some safeguard of this kind in the Bill, and that a majority of the Select Committee have adhered to that view by accepting the proviso now attached to clause 10 of the Bill as amended. That proviso required that not less than half of the Ordinary Fellows nominated by the Chancellor should be persons following the profession of education. If a proportion of the places in the Senate be reserved, it does not appear at first sight why the rules should be limited to the nominated Fellows, and in the case of Faculties there is no difficulty in adopting similar rules, because we have empowered the Chancellor to give directions touching the qualifications of the persons to be elected. We might with logical consistency have gone on to suggest that the same rules should be applied to the election by Graduates. We were deterred from taking that course for two reasons. In the first place, we have, rightly or wrongly, made a concession to public opinion by leaving the election by Graduates entirely open, and any restriction would probably have been opposed in Council and might have added considerably to the length of these debates: and, in the second place, as we had omitted to give the Chancellor any power such as would be necessary in the case of the election by Graduates, more redrafting would be required than we thought advisable at this stage of the Bill. We propose, therefore, a rule (to be substituted for the rule attached to the proviso for clause 10) under which two-fifths of the elections by Faculties and two-fifths of the nominations by the Chancellor should be reserved for persons following the profession of education. I have omitted the words which stood as part of the proviso in clause 10 about territorial limits as they do not seem to be necessary. The other provisions of the Bill make it tolerably certain that the members of the Senate must be drawn from the territories in which the University exercises its jurisdiction.

“ His Excellency has asked me to state that, if the sub-clause be accepted, the numbers would work out in this way—that in a Senate of 100, if the Senate

[*Mr. Raleigh ; Dr. Asutosh Mukhopadhyaya ; Dr. Bhandarkar ; Mr. Morison.*] [18TH MARCH, 1904.]

were filled up to its maximum number there would be 10 elected by Graduates : that leaves 90 : two-fifths of that would be 36, and that would be the number that would be secured as a minimum. Of course there is nothing to prevent the whole Senate from being teachers, but our proposal secures a certain minimum."

The Hon'ble DR. ASUTOSH MUKHOPADHYAYA said:—"My Lord, I desire to support this motion, which is completely included in an amendment which I had unsuccessfully moved in the Select Committee, which I had dealt with in my note of dissent, and which now forms paragraph 2 of amendment No. 32 standing against my name. My suggestion was that two-fifths of the total number of Ordinary Fellows should be Professors in Colleges ; the Hon'ble Member in charge proposes that this rule should apply only to two out of the three classes of Ordinary Fellows, *viz.*, to those elected by the Faculties and to those nominated by the Chancellor. He leaves unfettered the discretion of the Graduates who will be free to return whom they choose ; to this course I have not the slightest objection to offer. I would have been completely satisfied if my Hon'ble friend had found it possible to accept the other portion of my amendment, the object of which was to secure adequate representation of teachers from non-Government Colleges, whether aided or unaided."

The Hon'ble DR. BHANDARKAR said:—"I speak simply to express my thanks to the Government for having accepted this amendment ; for I was keen about it. Though it is an obvious matter that educationists should be largely represented on such an educational body as the Senate, from our past experience we have seen that somehow Government forgets it. Now that one of the objects of the Bill is to secure such a representation, it will be remembered for some time, but there is no guarantee that it will not be forgotten at some future time when the memory of the present occasion fades away. I am therefore glad that the new clause had been introduced, if for nothing else, simply to remind Government of appointing educationists as Fellows. I was in great fear that the proviso added by the Select Committee would be entirely thrown out by Government. I thank Government cordially for having accepted it in the form of the new clause."

The Hon'ble MR. MORISON said:—"I accept the compromise and am much obliged to the Hon'ble Member in charge of the Bill for having made so considerable a concession to our views. We all felt very strongly that the Government or Local Government of a province was not in a position to know educational opinion, that it never comes into contact with educational men or sees reports upon them, and I think this is particularly the case of Professors on the staff of aided and private Colleges. A Chancellor may serve his full term of five

[18TH MARCH, 1904.] [*Mr. Morison; Mr. Pedler; Mr. Gokhale.*]

years and may never come to know the most eminent Professors in such institutions, and this is particularly the case with Indian Professors. Such a one may have grown gray in teaching, and unless he has enlivened the sober work of education by political agitation, he would never become known to the Head of the Government, I cannot conceive how under the old dispensation a Chancellor could possibly come to know the Indian Professors. I want therefore to *compel* a Chancellor to seek proper persons within a particular area to which otherwise his attention would not have been directed."

The Hon'ble MR. PEDLER said:—"As one of the members signing the Minute of Dissent in connection with clause 10 of the Bill, I should like to add two or three words. I think that the Dissent made it clear that there was no particular intention of excluding teachers from the Senate on the nomination of the Chancellor, but the difficulty of course came in that by adding the proviso to clause 10 the Select Committee were fettering the discretion of the Chancellor, while the discretion of the Faculties and Graduates was not being so fettered. Personally I think perhaps it is desirable that some such amendment as this should be adopted, especially in consideration of the strong feeling that has been expressed on all sides by the teachers that they should have some definite representation. I do not think there is any wish on the part of any of those who signed the Minute of Dissent to do anything to prevent this, but the difficulty was to provide for anything like definite numerical or fractional representation. I therefore am prepared to support the amendment."

The Hon'ble MR. GOKHALE said:—"I also beg to support this amendment. After the objection that was taken this morning to my suggesting some fear as to what the authorities might do in certain circumstances, I am glad that Dr. Bhandarkar and Mr. Morison have relieved me of the necessity of making another such reference. The Hon'ble Mr. Pedler has also, I am glad to see, supported this amendment. I have not been able to understand the Hon'ble Member's position in this matter. I have looked at the opinions of the officers of the Bengal Government, and I find therein an opinion recorded by the Hon'ble Member, in which he expresses himself in favour of a statutory proportion of one-half being reserved for teachers. When therefore I saw that he had signed the Minute of Dissent of the Hon'ble Mr. Raleigh and the Hon'ble Sir Denzil Ibbetson, I concluded that he had probably changed his opinion on that point. However, I see now that he is again prepared to stand by his first opinion. There is, however, one difficulty, my Lord, which I would like to point out in connection with this amendment. As it is put here it is provided that two-fifths of the men elected by Faculties should

[*Mr. Gokhale ; Mr. Bilderbeck ; Mr. Raleigh ;* [18TH MARCH, 1904.]
the President ; Dr. Asutosh Mukhopadhyaya.]

consist of men following the profession of education. That would be four out of ten. Now the Hon'ble Mr. Raleigh will remember that in Select Committee we carefully omitted all figures which were not multiples of five. The original proposal in the case of Allahabad and the Punjab was that eight members were to be elected by the Senate and seven by the Faculties. But after some discussion we changed that into ten by the Senate and five by the Faculties, so as to make the figures multiples of five. For purposes of election, the teaching and non-teaching Fellows elected by Faculties will have to be shown in separate lists. How then are five men on the one hand and six men on the other to go out in five years? The difficulty will be specially experienced in enforcing the transitory provision."

[The Hon'ble MR. BILDERBECK interpellated the remark that, as he understood the amendment, the minimum of two-fifths was applicable to the total of the nominated Fellows and Fellows elected by the Faculties; and the Hon'ble MR. RALEIGH assented to this explanation, the Hon'ble MR. GOKHALE making no further remark.]

The motion was then put and agreed to.

His Excellency THE PRESIDENT said:—"The Hon'ble Dr. Asutosh Mukhopadhyaya has asked my leave to move a proviso to this new sub-clause provided it was accepted, and I have much pleasure in giving him permission."

The Hon'ble DR. ASUTOSH MUKHOPADHYAYA said:—"My Lord, I beg to move that the following proviso be added to clause 6, sub-clause (4), namely:—

"Provided that, in the case of the University of Calcutta, not less than one-half of the members of the profession of education so elected and so nominated shall belong to Colleges not owned or managed by the Local Government."

"My Lord, I had given notice of an amendment to this effect which stands No. 46 on the agenda. My original suggestion was that this should be added as a proviso to clause 10, but as now upon the motion of the Hon'ble Member in charge of the Bill the proviso to clause 10 itself is to be omitted, I have been am obliged to ask Your Excellency's permission to move that this proviso be added to what has just been added to clause 6.

"My Lord, I venture to point out that if the proviso just added by the Council to clause 6 is to be productive of any real good in practice, it ought to be coupled with a qualifying clause securing the adequate representation of Professors in Colleges not owned or managed by the Government; these form pre-

[18TH] MARCH, 1904.] [*Dr. Asutosh Mukhopadhyaya ; Mr. Raleigh.*]

cisely the class of people who, for obvious reasons, may find it extremely difficult to have their just claims readily recognised by the Government. I therefore venture to suggest that, in the case of the University of Calcutta, not less than one-half of the members of the profession of education, nominated or elected as Ordinary Fellows, shall belong to Colleges not owned or managed by the Local Government. That I am not placing too high the claims of the Professors of Institutions not owned or managed by the Government, will be evident if we remember the extent of the educational work carried on by these Institutions. During the five years ending with 1903, the Government Colleges affiliated to the Calcutta University sent up 3,795 candidates for the F. A. Examination, while aided Colleges sent up 2,544 and unaided private Colleges 11,506. During the same period, Government Colleges sent up 2,720 candidates for the B. A. Examination, aided Colleges sent up 2,036 and unaided private Colleges sent up 4,380. For the M. A. Examination, for which the total number of candidates is comparatively very much smaller, being on an average about 200 a year, about half the number of candidates come up from Government Colleges. For the B. L. Examination the vast majority of candidates come up from private Colleges, only an insignificant minority being sent up by Government Colleges. As to instruction in the Faculties of Medicine and Engineering, it is imparted solely in Government Institutions. I trust these figures prove conclusively that private Colleges, whether aided or unaided, do fill an important place in the educational machinery of the Provinces within the jurisdiction of the Calcutta University, and the claim to be represented in the Senate, which I advance on behalf of the Professors of these Institutions, is by no means exaggerated. They have been brought into existence as a result of the avowed policy of the Government for the last twenty years—a policy of encouragement of private effort for the promotion of high education—and Government ought not to be slow or unwilling to recognise their just claims.”

The Hon'ble MR. RALEIGH said :—“ My Lord, I fully admit the truth of much that the Hon'ble Dr. Asutosh Mukhopadhyaya has said in regard to the importance of unaided Colleges. I trust that the interests of those Colleges will always be carefully considered in everything that relates to University administration. But I find it difficult to accept his amendment, because in the first place it is so worded that I am not at all sure how it will apply. He speaks of Colleges owned or managed by the Local Government. Now the Local Government, strictly and legally speaking, does not own anything at all. Public property in this country is vested in His Majesty. Then when can we say that a College is managed by a Local Government? A College is managed by its Principal and Professors. The Hon'ble Mr. Pedler will

[*Mr. Raleigh; Mr. Morison; Mr. Pedler.*] [18TH MARCH, 1904.]

be able to advise us on this point, but I really do not know what a Court of Law would say as to the class of Colleges to which this law would apply. These, however, are lawyers' points and I merely mention them. But what I really object to is the policy of this amendment. If we introduce distinctions between classes of Colleges, we complicate the whole scheme of the Bill, and we run the risk of making our Senates less efficient. My great desire is that in their relation to the University all Colleges should be treated alike.

"There are Government Colleges which may perhaps be rather stringently dealt with under the provisions of this Bill. I wish the same treatment measured out to some unaided Colleges, with this difference, that I would if anything treat them with more leniency than the Government Colleges, because they may have more difficulty in rising to the demands of the new system. Speaking on behalf of Government I would say with emphasis that we all recognise the necessity of treating unaided Colleges with consideration. The Government is to a great extent responsible for the existence of these institutions, and I think that the Government should see that under the powers which are given under this Bill they are not in any way unfairly treated. I cannot help feeling that the proposal to introduce a distinction between the Government and the private College by this Bill is suggested by an apprehension that they may be unfairly dealt with, and that has led me to make these remarks; but I deprecate the distinction which this amendment draws and I am afraid I cannot accept it."

The Hon'ble MR. MORISON said :—"I quite agree with the spirit of this amendment. But I doubt whether it is necessary, for I think that the Chancellor who filled up all the educational Fellowships with Government servants would be monstrously unjust. So far I quite agree with what the Hon'ble Dr. Mukhopadhyaya said: but the question now is really this. We have a proviso that the Chancellor shall appoint a certain number of educational men: is there any reason to suppose that he will be intentionally unjust? The difference between myself and my Hon'ble Colleagues is this, that I do not accuse the Chancellor of deliberate injustice, though I do think that he has very often been ignorant of the *personnel* of the Educational Service."

The Hon'ble MR. PEDLER said :—"I am rather sorry that the Hon'ble Dr. Mukhopadhyaya has thought it desirable to move an amendment of this kind. It almost implies a reflection that Colleges other than those belonging to the Government do not receive their fair share of consideration in Bengal from the Calcutta University, and possibly at the hands of the Department of Education under the Government. I only desire to say that it is always my wish to help

[18TH MARCH, 1904.]

[*Mr. Pedler.*]

forward education provided that education is of the proper kind, but I do not wish to help forward or assist in any way education which is more or less a sham. This amendment almost suggests that in the past these aided Colleges and Native Colleges have not been given fair treatment. I do not wish to speak with regard to myself, but I think the history of education in Bengal especially as shown in the Report of the Education Commission of 1882 proves that every possible encouragement has been given to private enterprise in the matter of higher and university education. Indeed, there is abundant evidence to show that Government is still continuing this policy of aiding local efforts in this matter. High Schools at some places have been handed over to District and other Boards, and no less than two Colleges, one at Midnapore and one at Berhampur, have been transferred from Government management. Everything is done, so far as I am aware, in Bengal to help forward this form of education, provided only that Government is assured that the education is of the right kind.

“Passing away from that general consideration, I think, as the Hon’ble Mr. Raleigh said, the definition of Colleges managed by Government or ‘maintained by Government’ would be liable to give rise to a little trouble. I do not know whether Government does manage Colleges. The Colleges are practically worked by their Principals with of course certain general directions given by the Government. Each Principal manages his own courses of lectures, gives the work to the various Professors and guides his actions by the requirements of the University, and hence I do not consider Government manages any particular College any more than the University does. As Director of Public Instruction I certainly do not manage the Engineering College, the Presidency College, and so on.

“Now I should oppose the amendment not only from that point of view, but from the point of view which was taken by the Hon’ble Mr. Raleigh. It is most undesirable to in any way set up one class of Professors against another class of Professors. What I imagine is always looked to by the Chancellor in making his selection of Fellows for any University, and what I hope will be looked to by the Faculties in making their selections, is whether such and such an individual is one who will advance education or not, and not whether he is a man drawn from one kind of College or another. In making such selections all that should be asked is whether the proposed Fellow is one who has high ideals of education, high qualifications, and high standards. Is he a man who would cause the University of Calcutta to be respected? We do not want to divide our Professors into officials and non-officials; we

[*Mr. Pedler ; Rai Sri Ram Bahadur : Dr. Asutosh* [18TH MARCH, 1904.]
Mukhopadhyaya.]

want to divide them into educationists and non-educationists ; and I am afraid that if Dr. Mukhopadhyaya's amendment were carried it would be the source of endless trouble. I therefore oppose it."

The Hon'ble RAI SRI RAM BAHADUR said :—" It has been said by the Hon'ble the Law Member that the amendment proposed by the Hon'ble Dr. Mukhopadhyaya contained the words 'managed by Government' which are open to objection. Here I have in my hands, my Lord, the Report of the Director of Public Instruction of the United Provinces for the year ending 31st March 1903. We find that in this Report the Colleges which are owned by Government or are entirely supported by Government are described as 'managed by Government.' Now I suppose that the form for these returns is prescribed by the Imperial Government, and that the Educational Departments of the various Provinces submit their returns according to the prescribed form."

The Hon'ble DR. ASUTOSH MUKHOPADHYAYA said :—" I desire to say a few words in reply. I shall make no reference to the verbal criticism not merely because it is hypercritical, but because the question has been discussed upon principle. The Hon'ble Member in charge of the Bill has said that we ought not to recognise classes of Colleges. That may be excellent theory, but it is not consistent with facts. There are two classes of Colleges, perhaps three. The distinction is recognised by Government for other purposes, and I am only asking the Government to recognise the distinction for our present purposes. My Hon'ble Friend says that my motion is really based upon an apprehension that private Colleges may be intentionally unfairly dealt with. I emphatically repudiate the suggestion. I do not suggest for a moment that there is any intention on the part of the Government to deal unfairly with private Colleges. But the position of the Chancellor is so dignified or elevated that he does not come into contact with teachers at all whether they belong to private Colleges or whether they belong to Government Colleges. When, therefore, an appointment to a Fellowship has to be made, he consults his official advisers. They naturally recommend the men whom they know : there is nothing wrong in that. If a Vice-Chancellor or Director of Public Instruction is asked to recommend a man, he is in fact perfectly justified in recommending one whom he knows personally. He has never come across the distinguished Professors who do their work in private Colleges and he has probably never heard of them. Therefore I think it desirable that the Statute should provide expressly that the Chancellor is to look not only to the Government Colleges but also to the private Colleges when he is making appointments to the Fellowships.

[18TH MARCH, 1904.] [Dr. Asutosh Mukhopadhyaya.]

I cannot imagine how the most captious critic can suggest that there is anything wrong or unfair in that."

The motion was put and negatived.

The Council adjourned to Saturday, the 19th March, 1904.

CALCUTTA; }
The 29th March, 1904. }

J. M. MACPHERSON,
Secretary to the Government of India,
Legislative Department.

APPENDIX.

Statement showing the changes in, additions to, or diminutions of, the Imperial Service Troops of certain Native States since the introduction of the scheme.

STATES.	STRENGTH OF TROOPS FIRST ACCEPTED.				CHANGES SINCE AGREED UPON WITH THE STATES CONCERNED.						REMARKS.			
	Cavalry.	Infantry.	Transport.			Cavalry.	Infantry.	Transport.				Sap- pers.		
			Escort.	Camels.	Ponies.			Carts.	Escort.	Camels.			Ponies.	Carts.
1. Mysore	1,200	...	...	...	...	500	...	...	...	...	700	300	...	...
2. Kashmir	343	* 3,750 and 300 artillery.	...	...	...	150	2,808 and 300 artill- ery.	...	...	...	...	...	...	...
3. Kapurthala	150	600	...	...	...	...	600	...	...	...	...	...	...	...
4. Bahawalpur	150	450	...	...	...	...	...	...	...	1,068	...	...	...	...
5. Patiala	600	1,000	...	...	...	600	1,200	...	...	...	...	...	...	...
6. Faridkot	50	150	...	...	...	...	...	...	...	...	...	...	...	174
7. Maler Kotla	50	150	...	...	...	600	896	...	...	...	...	...	...	174
8. Alwar	600	1,000	...	...	...	...	650	...	...	...	600	300	...	...
9. Bharatpur	600	650	...	...	...	...	...	...	...	...	1,200	600	...	...
10. Jaipur	...	...	...	...	1,000	400	...	...	...	...	500	200	...	...
11. Bhopal	500	...	...	...	...	200	...	...	...	...	...	...	...	...
12. Indore	500	...	...	...	...	150	...	...	...	...	...	...	...	...
13. Bhowanagar	300	...	...	...	...	...	...	...	...	...	...	...	...	...

* Six regiments of 625 each. The 3rd and 6th regiments were disbanded in August, 1894, and December, 1896, respectively, and the strength of the remaining four regiments was increased to 702 each.

† Riflemen.
‡ Sarwans.

The Thakore Sahib of Bhowanagar is about to increase his troops up to the strength first accepted.

* Six regiments of 625 each. The 3rd and 6th regiments were disbanded in August, 1894, and December, 1896, respectively, and the strength of the remaining four regiments was increased to 702 each.

† Riflemen.
‡ Sarwans.

The Thakore Sahib of Bhowanagar is about to increase his troops up to the strength first accepted.

Proceedings of the Council of the Governor General of India assembled for the purpose of making Laws and Regulations under the provisions of the Indian Councils Acts, 1861 and 1892 (24 & 25 Vict. Cap. 67, and 55 & 56 Vict., Cap. 14.)

The Council met at Government House, Calcutta, on Saturday, the 19th March, 1904.

PRESENT:

- His Excellency Baron Curzon, P.C., G.M.S.I., G.M.I.E., Viceroy and Governor General of India, *presiding*.
His Honour Sir A. H. L. Fraser, K.C.S.I., Lieutenant-Governor of Bengal.
His Excellency General Viscount Kitchener of Khartoum, G.C.B., O.M., G.C.M.G., Commander-in-Chief in India.
The Hon'ble Mr. T. Raleigh, C.S.I.
The Hon'ble Sir E. FG. Law, K.C.M.G., C.S.I.
The Hon'ble Major-General Sir E. R. Elles, K.C.B., K.C.I.E.
The Hon'ble Sir A. T. Arundel, K.C.S.I.
The Hon'ble Sir Denzil Ibbetson, K.C.S.I.
The Hon'ble Rai Sri Ram Bahadur.
The Hon'ble Mr. A. W. Cruickshank, C.S.I.
His Highness Raja Sir Surindar Bikram Prakash Bahadur, K.C.S.I., of Sirmur.
His Highness Agha Sir Sultan Muhammad Shah, Agha Khan, G.C.I.E.
The Hon'ble Mr. Gopal Krishna Gokhale, C.I.E.
The Hon'ble Mr. E. Cable.
The Hon'ble Nawab Saiyid Muhammad Sahib Bahadur.
The Hon'ble Mr. H. Adamson, C.S.I.
The Hon'ble Mr. A. Pedler, C.I.E., F.R.S.
The Hon'ble Mr. T. Morison.
The Hon'ble Dr. Ramkrishna Gopal Bhandarkar.
The Hon'ble Mr. D. M. Hamilton.
The Hon'ble Rai Bahadur B. K. Bose, C.I.E.
The Hon'ble Dr. Asutosh Mukhopadhyaya, D.L., F.R.A.S., F.R.S.E.

INDIAN UNIVERSITIES BILL.

The adjourned debate on this Bill was resumed to-day.

[*Dr. Asutosh Mukhopadhyaya.*] [19TH MARCH, 1904.]

The Hon'ble DR. ASUTOSH MUKHOPADHYAYA moved that after clause 6 the following be inserted as a new clause 7, the subsequent clauses being re-numbered accordingly, namely :—

“ 7. (1) The Ordinary Fellows of the University shall be persons distinguished for their attainments in any branch of Literature, Science or Art or for their devotion to the cause of education.

(2) Not less than two-fifths of the total number of Ordinary Fellows shall be non-officials.

(3) When the jurisdiction of the University extends over more than one Province, the nominations of Ordinary Fellows by the Chancellor shall be made, as far as practicable, with due regard to a fair representation of the educational interests of each of such Provinces.

(4) The nominations of Ordinary Fellows by the Chancellor shall be made, as far as practicable, with due regard to a fair representation of the principal religious communities whose children are educated at or admitted to the examinations of the University.”

He said :—“ The object of this amendment is to define the character of the Senate and thus to remove what appears to me to be the gravest defect in the Bill. It appears to me to be of paramount importance that the general principles which should regulate the constitution of the new Senate should be clearly defined and embodied in the Statute. It is pointed out in the Report of the Universities Commission that although the Senates of the three older Universities were in their origin intended to be bodies of persons qualified to advise and to exercise control in educational matters, yet for some time past the notion has prevailed that a Fellowship is a distinction which may be bestowed by way of compliment, without much regard to the academic qualifications of the recipient. The Commissioners accordingly recommend that no Fellowship should in future be conferred merely by way of compliment, and that in every case there should be some good academic reason for the appointment. They next proceed to describe how the Senate, as a whole, should be constituted, and specify four classes of persons as qualified and entitled to be members of the Senate : (a) University and College teachers, specially Heads of Colleges ; (b) persons distinguished by their attainments in any branch of learning and qualified to take part in University business ; (c) representative members of the learned professions ; (d) representatives of Government. As I have already stated, in my opinion, the substance of the recommendations of the Commission on this point should be embodied in the Bill. My Lord, there cannot be the slightest doubt that the condition of the present Senates, which the Government is now pleased to describe as unsatisfac-

[19TH MARCH, 1904.] [*Dr. Asutosh Mukhopadhyaya.*]

tory, has been brought about mainly, if not entirely, by the action or the inaction of the Government itself. If we examine, for instance, the history of my University, we shall find that since the foundation of the University, the Government has appointed over five hundred Fellows and the Graduates have elected 24. It can hardly be contended that these latter can, in any way, have appreciably affected the character of the Senate. If we endeavour to ascertain—indeed, if one may be permitted to do so without impropriety—the principle upon which the Government may be supposed to have made these nominations, we shall soon find that there is only one circumstance common to these appointments, namely, that they are not based upon any principle which human ingenuity can discover. If after this the Government declines to embody in the Statute any general principles for guidance in the future, one may, I trust, be permitted to question the wisdom or propriety of such a course. I do not think it is any answer to say that the principles have now been investigated by the Commission and are not likely to be overlooked in future. Past experience proves conclusively that recommendations of important Commissions, and even principles set out in important Resolutions of the Government, are liable in the course of a few years to be forgotten and overlooked. There is so little of continuity in Indian official life that problems which have interested and agitated the men of one generation are completely neglected by their successors. It is not often that we are fortunate enough to get as the Chancellor of a University a distinguished Fellow of All Souls; it is not often that we are fortunate enough to get as the Vice-Chancellor of a University another distinguished Fellow of All Souls who has successfully interested himself in the history of the rise and progress of Universities from his undergraduate days. What guarantee is there, I ask, that the principles which it is now conceded ought to regulate the constitution of the Senates of our Universities, will not in the course of a dozen years prove quite unfamiliar to less gifted and less qualified Chancellors and Vice-Chancellors? My Lord, I venture to submit that this desire to see these principles embodied in the Statute Book cannot in any sense be regarded as an infirmity of a lawyer. There are obvious advantages to be secured by the adoption of the course which I advocate; if these principles are clearly formulated and if they find a place in the Act, they become widely known, easily ascertainable and little liable to capricious variation; their presence on the Statute Book can do no possible harm. The only persons who may find it inconvenient to see these principles formulated in the Statute are those who a few years hence may find it necessary or convenient to disregard or deviate from them. I may further

[*Dr. Asutosh Mukhopadhyaya; Mr. Raleigh.*] [19TH MARCH, 1904.]

point out that, as it is proposed to make Fellowships terminable after five years, there must be frequent vacancies and constant changes in the Senate; and if the Government is really anxious to provide against the recurrence of the mistakes of the past, it is essential that certain well-recognised principles should be steadily kept in view. As to the principles which I have enunciated, I do not think that there can be any room for any substantial difference of opinion; indeed, they are based on the recommendations of the Universities Commission and were also recognised by the Hon'ble Member in charge in his speech in this Council at the time of the introduction of this Bill, when he pointed out, *first*, that, although the Government should retain an adequate representation on the Senate, it was not advisable to alter its character by too large an admixture of the official element; and, *secondly*, that the religious communities which send their young men to the Colleges affiliated to the University ought to be fairly represented on the Senate. I believe, my Lord, that if these principles are adopted and fairly worked out, we shall be able to secure re-constituted Senates which will be academic in their character and will fairly and adequately represent Government and private educational interests and non-educational, official and non-official interests, represented by Europeans and Indians in fair and, if possible, equal proportion. I need hardly point out that a properly constituted Senate is of fundamental importance, and every safeguard ought to be liberally provided for the continuance of the character initially imposed on it; otherwise the benefits expected from the operation of this Bill may prove illusory and the interests of high education itself may seriously suffer.'

The Hon'ble MR. RALEIGH said:—"My Lord, in answer to my Hon'ble Colleague I will state shortly the view of this matter which recommended itself to a majority of the Select Committee. We accept of course the declaration of policy which the Hon'ble Member has quoted from the Report of the Commission. And I think we should go a step further and admit that there is considerable force in the arguments which have just now been addressed to the Council. The Senates have been brought to their present condition by laxity in the appointments for which Government is responsible, and we may admit that the policy of this Bill, if we leave the Chancellor without restriction, is more or less in the nature of an experiment. The whole success of this Bill depends on the care and the wisdom with which successive Chancellors exercise their powers, and it is most important that they should never for one moment lose sight of the principles which the Commission stated in a definite form and which the Government have since accepted, But when it is proposed to

[19TH MARCH, 1904.]

[*Mr. Raleigh.*]

turn these principles into clauses of the Bill, I object to the method of my Hon'ble Colleague's procedure. The inevitable result of creating categories of Fellows would be the same as I ventured to point out yesterday would result from creating categories of Colleges. By taking such a course you would give occasion for the formation of divisions, factions I might almost say, in the Senate, and you have to keep a balance of votes between bodies of men who will be watching one another as if they represented opposite interests. I hope that both officials and non-officials will find places in the Senate, and I hope that provinces and religious communities will be properly represented, but in each case the reason for the appointment ought to be an academic one, and if the Chancellor has to observe what one might call an arithmetical scheme in making his appointments, the danger is that he will have to leave on one side the man whom he thinks on the whole likely to make a good member of the Senate, and to choose some other and less satisfactory nominee because of these rules creating categories of Fellows. And then again it must not be forgotten that we are legislating for Universities whose circumstances differ very widely, and that when you come, for example, to fix a proportion between officials and non-officials, the circumstances, let us say of Calcutta and the Punjab, may be widely different.

"As for the two last points of the Hon'ble Member's scheme, I think that they are open to objection as sub-clauses in the Bill, because they are more or less in the nature of advice, and they do not possess that precision which the provisions of the Statute law ought to possess. In the first place, what is 'due representation' of provinces? Anybody set to construe that phrase on abstract lines might say that the Central Provinces, for instance, are entitled to a certain numerical proportion of the Senate at Allahabad. That is not the kind of representation which we desire to give. I would say the due representation of the Central Provinces at Allahabad would be the representation which the Chancellor, after taking all the local circumstances into account, thinks proper to assign.

"As for the final point which relates to religious communities, I think it might be found not only embarrassing but mischievous. Speaking from some experience of the Calcutta Senate, I must express my admiration for the temperate and impartial way in which University questions which touch the various religious communities are discussed by the Hindu and Muhammadan members of that assembly. But once the question is raised, what is the due representation of Muhammadans on the Calcutta Senate, I foresee a discussion which might possibly develop a certain amount of feeling. For these

[*Mr. Raleigh; Mr. Gokhale; Dr. Asutosh Mukhopadhyaya.*] [19TH MARCH, 1904.]

reasons, while I accept in substance the principles which the Hon'ble Member has laid down, I must decline to accept his amendment."

The Hon'ble MR. GOKHALE said:—"I beg leave to say just one word in support of a portion of the amendment which has been moved by the Hon'ble Dr. Asutosh Mukhopadhyaya. It is that portion which has reference to the proportion of official and non-official members of the Senate. The Hon'ble Mr. Raleigh just now said that the only principle which should guide us in making nominations to the Senate is to consider who are the men who are fit to be members of an academic Senate. I submit, however, that the Government themselves have gone much further in the case of other bodies; and even in regard to the Senate, in laying down the proposition that two-fifths of the members should be Professors, the Government have actually departed to a certain extent from this general principle which the Hon'ble Member has just laid down. Men who are engaged in the work of teaching, as may conceivably happen, may be unfit to be members of an academic Senate, and yet if a proportion like that is laid down in their case, I do not see any reason why a similar proportion in regard to the element of non-officials in the Senate should not be laid down. In regard to Legislative Councils we have the provision that at least half the number of the members should be non-officials: in municipal bodies we have the same proportion. After all, facts have to be faced, and the difference of views between officials and non-officials has got to be taken note of. One thing more I will say, and that is this. Under the new scheme of University legislation the Government obtain much greater control over University matters than before. That being the case I think it is desirable that a considerable proportion of seats should be secured for the non-officials. I therefore cordially support that part of the amendment which has reference to the proportion of two-fifths being reserved for non-officials."

The Hon'ble DR. ASUTOSH MUKHOPADHYAYA said:—"In reply I desire to deal with only one observation of the Hon'ble Mr. Raleigh. With reference to the last principle laid down in my amendment the Hon'ble Member was pleased to say that its introduction might be mischievous. This came to me as a surprise, for I took this down almost verbally from the speech which the Hon'ble Member delivered in the Council when he introduced this Bill, and if any mischievous consequence ensues from the adoption of that doctrine whether it is incorporated in the Bill or not, I am afraid he must share a portion of the blame."

[19TH MARCH, 1904.] [*Dr. Asutosh Mukhopadhyaya.*]

The Council divided :—

Ayes—6.

The Hon'ble Dr. Asutosh Mukhopadhyaya.
The Hon'ble Rai Bahadur Bipin Krishna Bose.
The Hon'ble Mr. T. Morison.
The Hon'ble Nawab Saiyid Muhammad.
The Hon'ble Mr. Gopal Krishna Gokhale.
The Hon'ble Rai Sri Ram Bahadur.

Noes—16.

The Hon'ble Mr. D. M. Hamilton.
The Hon'ble Mr. J. B. Bilderbeck.
The Hon'ble Dr. Ramkrishna Gopal Bhandarkar.
The Hon'ble Mr. A. Pedler.
The Hon'ble Mr. H. Adamson.
The Hon'ble Mr. E. Cable.
His Highness the Agha Khan.
His Highness the Raja of Sirmur.
The Hon'ble Mr. A. W. Cruickshank.
The Hon'ble Sir Denzil Ibbetson.
The Hon'ble Sir A. T. Arundel.
The Hon'ble Major-General Sir E. R. Elles.
The Hon'ble Sir E. FG. Law.
The Hon'ble Mr. T. Raleigh.
His Excellency the Commander-in-Chief.
His Honour the Lieutenant-Governor of Bengal.

So the motion was negatived.

The Hon'ble DR. ASUTOSH MUKHOPADHYAYA moved that the following be inserted as a new clause 8, the subsequent clauses being re-numbered accordingly, namely :—

“ 8. Every Ordinary Fellow of the University shall, during the term that he continues to be such Fellow, annually pay into the University chest a sum of Rs. 50 for the creation of a fund to be devoted exclusively to the objects mentioned in section 3.

“ If an Ordinary Fellow does not pay such fee within the year for which it is due, the Chancellor may declare his office to be vacated.”

[*Dr. Asutosh Mukhopadhyaya ; Mr. Raleigh.*] [19TH MARCH, 1904.]

He said:—"My lord, before I came into the Council Chamber this morning, I found that the *Pioneer* describes this amendment as a plucky and sporting one. I confess that it does require a considerable amount of pluck to move any amendment at all in this Council, with the full knowledge that it is sure to be rejected ; but I must protest against the suggestion that the amendment is a sporting one ; indeed, my Lord, it is of the utmost importance, and I ask my Hon'ble Colleagues to consider it in all seriousness. Clause 3 of the Bill as amended defines the powers of the University, which it is clearly impossible for the University to exercise without adequate funds at its disposal. I therefore venture to suggest that every Ordinary Fellow of the University shall during the term that he continues to be such Fellow annually pay into the University chest a sum of fifty rupees for the creation of a fund to be devoted exclusively to the objects mentioned in clause 3. I don't lose sight of the fact that if my suggestion be accepted it may amount to what may perhaps be described as an unfair demand on our European fellow-subjects to contribute not only to the intellectual capital of an Indian University, as they must do if it is to work well, but also to its pecuniary capital, when the intellectual benefit to be derived is no doubt mainly confined to Indians. But I venture to hope that gentlemen who are associated with the work of the University and who take a genuine interest in the promotion of the object which the University has in view, will be found not unwilling to contribute to its funds. I cannot persuade myself to believe that the provision which I have suggested can possibly do any harm or practically have any deterrent effect."

The Hon'ble MR. RALEIGH said:—"My Lord, when my Hon'ble Colleague said that this amendment was quite certain to be rejected, I think he slightly under-rated the temptation which he was dangling before the Vice-Chancellor of an impoverished University in the shape of an income of possibly Rs. 5,000 per annum. But, great as the temptation is, I do not think it is sufficient to induce me to consent to make a charge, and in some cases it would be a serious charge, to be paid by an individual for the privilege of performing an onerous public duty. My Hon'ble Colleague has skilfully framed his argument as if the European official members of the Senate were those most likely to object to a tax of this character. I venture to say that if the Council accepted this amendment we should in many cases be charged with laying an impossible charge

[19TH MARCH 1904.] [*Mr. Raleigh ; Mr. Morison ; Mr. Pedler.*]

upon the Indian scholar, who cultivates learning upon an income which from the European point of view is very small. That, I think, in itself is a sufficient reason for rejecting the amendment."

The Hon'ble MR. MORISON said :—" I am strongly in favour of this suggestion, and I must congratulate the Hon'ble Member on having had the courage to bring up again this most desirable but probably most unpopular reform ; it will, I can conceive, press rather hardly upon the Indian Professor or Lecturer, but in such cases the College, if it thinks such services very needful, can pay it for him ; the pay of all European Professors is, I imagine, amply sufficient to enable them to pay it themselves, and if they are not prepared to make this small sacrifice for the good of education in India, they are not wanted on the Senate."

The Hon'ble MR. PEDLER said :—" I should like to make one or two remarks in support of the position taken up by the Hon'ble Mr. Raleigh. I feel convinced myself that a tax of Rs. 50 would be found to be extremely burdensome upon the young Indian Graduates some of whom we hope to see on the Senates. Rs. 50 to a man who has only just commenced his earning career is a very considerable sum amongst Indian gentlemen. I should also like to point out that this proposal to tax Fellows is rather against one of the recommendations of the Indian Universities Commission, where we proposed that, in the case of Fellows who may have to come in considerable distances to attend meetings of the Senate, arrangements should be made by the University to pay travelling allowances. These two proposals do not appear to be at all in agreement. It is, I think, very desirable not to tax Fellows for doing their duty, but on the other hand to enable them to do their duty without being out of pocket by such work, and hence I would be quite prepared at any future time to support a proposal that Fellows of any University coming from a distance to meetings should be paid travelling allowances. Then again the sums that could be expected to be derived from a contribution such as is proposed would be such an exceedingly small amount, probably only £200 or £300 a year, that I think the gain would be out of all proportion to the trouble it would cause. What we really want in India is not to increase the University chest by small contributions of Rs. 50 each, but we do want that some of the rich Indian nobles and gentlemen should come forward in the same way as gentlemen come forward in America

[19TH MARCH, 1904.] [*Mr. Raleigh; Dr. Bhandarkar; Mr. Gokhale; Rai Sri Ram Bahadur.*]

and other countries and assist the University with large donations, for the amount obtained by this tax of Rs. 50 would be so small that it would not enable any large reforms to be carried through. I should, therefore, oppose this proposal as being likely to be a serious burden upon some of the younger Fellows and to cause irritation rather than effect any real good."

The Hon'ble DR. BHANDARKAR said:—"A Fellowship of an University involves an honour and at the same time a responsibility, but an honour that is purchased by a payment of Rs. 50 a year has a good deal of its dignity impaired, and though a man in my position would not decline to pay Rs. 50 still I would decline the honour if it is to be had on that condition only. A self-respecting man would not accept a Fellowship on these conditions."

The Hon'ble MR. GOKHALE said:—"I wish to make one or two observations in regard to what has fallen from the Hon'ble Mr. Pedler. The young Indian Graduate seems to be a very convenient person. He can be pressed into the service when necessary, and thrown aside when necessary as a worthless person. The Hon'ble Member's solicitude for the young Indian Graduate seems to me to be of this sort.

"As regards what the Hon'ble Mr. Raleigh said, I may point out that the Fellows of the University will not merely have to perform onerous duties, but they also will be exercising a valuable privilege: the Faculties are allowed to elect a certain proportion of the Senate, and the Council will note that while the Graduates who are allowed the privilege of electing will have to pay an annual fee, the Fellows on whom the franchise is conferred make no payment whatever. Of course the fee proposed is a much higher one, because their position is higher and their resources presumably ampler.

"In reply to the Hon'ble Dr. Bhandarkar I may say that because Fellows are required to pay an annual fee, no body would ever imagine that it is paying money to buy an honour. It is only a contribution made to further the purposes for which the Universities exist. I think there is a good deal to be said for the amendment: it does not matter whether the amount prescribed is Rs. 50 or a smaller sum: it is a matter of principle."

The Hon'ble RAI SRI RAM BAHADUR said:—"I beg to support the amendment proposed by my Hon'ble friend Dr. Mukhopadhya. If in order to

[19TH MARCH, 1904.] [*Rai Sri Ram Bahadur ; Dr. Asutosh Mukhopadhyaya.*]

be enrolled as a member of a certain body a man has to pay an annual or monthly sum, it should not be considered as equivalent to a purchase of that honour. We have, for instance, such societies as the Asiatic Society of Bengal to which the members have to pay yearly contributions, but it never occurred to anybody that by paying the annual fee he is purchasing the honour of being a member of that Society. Then in the clause which succeeds this one we find that the Bill requires that Graduates wishing to have the franchise of election will have to pay both initial and annual fees. Why should not the gentlemen who wish to have the honour of being members of the Senate contribute the small sum of Rs. 50 in the same way ?”

The Hon'ble DR. ASUTOSH MUKHOPADHYAYA said in reply :—“My Lord, the young Indian Graduate is a very convenient individual ; he has been twice trotted out in this Council—once in November 1903 as the discontented B. A., and a second time in March 1904 as a person of culture and distinction, qualified to be a Fellow of the University. I should like to know from the Hon'ble Member in charge how many young Indian Graduates are likely to get a seat on the new Senate. We have seen a somewhat exuberant display of sympathy for his limited means, and I have no doubt he will feel extremely grateful for the concern which has been felt at the difficulty in which he may find himself if called upon to contribute Rs. 50 a year. As a matter of fact, my Lord, the few Indians who may have a seat on the new Senate will willingly pay Rs. 50 annually for the purposes of their University ; and if any brilliant Graduates of limited means are put on the Senate, they may well be appointed examiners of the University, and may in this manner earn a decent income from which they can without difficulty contribute to the University funds. With reference to the observation which fell from the Hon'ble Dr. Bhandarkar that, if the honour of a Fellowship can be purchased for Rs. 50 a year, it will be no honour at all, I cannot but characterize the argument as extremely fanciful. My Hon'ble friend is no doubt aware that there is such a distinction as a Fellowship of the Royal Society F. R. S. and although four red sovereigns have to be paid as an annual subscription, it is rightly regarded as the highest honour which a scientific man can aspire to. If a Fellowship of the University is thrown open to every person who can afford to pay Rs. 50 a year, it will undoubtedly cease to be an honour and distinction. But if it is conferred with discrimination upon deserving individuals, I fail to see how it can cease to be valued simply because a pecuniary obligation is attached to it.”

[*Rai Sri Ram Bahadur.*] [19TH MARCH, 1904.]

The Council divided :—

Ayes—7.

The Hon'ble Dr. Asutosh Mukhopadhyaya.
 The Hon'ble Rai Bahadur Bipin Krishna Bose.
 The Hon'ble Mr. T. Morison.
 The Hon'ble Nawab Saiyid Muhammad.
 The Hon'ble Mr. Gopal Krishna Gokhale.
 His Highness the Agha Khan.
 The Hon'ble Rai Sri Ram Bahadur.

Noes—15.

The Hon'ble Mr. D. M. Hamilton.
 The Hon'ble Mr. J. B. Bilderbeck.
 The Hon'ble Dr. Ram Krishna Gopal Bhandarkar.
 The Hon'ble Mr. A. Pedler.
 The Hon'ble Mr. H. Adamson.
 The Hon'ble Mr. E. Cable.
 His Highness the Raja of Sirmur.
 The Hon'ble Mr. A. W. Cruickshank.
 The Hon'ble Sir Denzil Ibbetson.
 The Hon'ble Sir A. T. Arundel.
 The Hon'ble Major-General Sir E. R. Elles.
 The Hon'ble Sir E. FG. Law.
 The Hon'ble Mr. T. Raleigh.
 His Excellency the Commander-in-Chief.
 His Honour the Lieutenant-Governor of Bengal.

To the motion was negatived.

The Hon'ble RAI SRI RAM BAHADUR moved that in clause 7, sub-clause (2), head (b), the words "subject to the payment of an initial fee of such amount as may be prescribed by the regulations" be omitted. He said :—
 "My Lord, I consider that the Graduates should not be required to pay any fee either at the time of getting their names registered or annually, and if the name has once been brought on the register it should be retained therein without the payment of any annual fee. The keeping of the register will not entail costs to any appreciable amount. If it be said that the payment of such fee will show the continuance of the interest evinced by the Graduate in University matters, I submit that due provision can be made in the rules which the Senates are empowered to frame on the subject under sub-clause (b) of the 25th clause of the Act. No fees are charged from electors for the preparation and maintenance of registers in the case of Municipalities and District Boards; therefore, no good reason exists why the Graduates of a University alone should be subjected to payment of any fee in order to secure the franchise of voting."

[19TH MARCH, 1904.] [*Mr. Raleigh; Dr. Asutosh Mukhopadhyaya; Mr. Morison; Mr. Gokhale.*]

The Hon'ble MR. RALEIGH said :—" My Lord, I have one answer to this group of amendments, and it is this. They relate to the details of a scheme which has been very carefully considered in Select Committee, and the italic letters in the amended Bill will show that the scheme has been considerably modified ; and it was modified, I may state, in deference to the wishes which were expressed by the unofficial members of the Committee. That being so, I deprecate the discussion of these matters of detail in Council. Of course I do not question the right of the Hon'ble Mr. Sri Ram to bring up before Council any question of importance which he thinks has been wrongly decided by the Committee. But with regard to details, and especially the financial details, of a scheme of this kind, I think the Council should be guided by the Committee."

The Hon'ble Dr. ASUTOSH MUKHOPADHYAYA said :—" I am not familiar with the condition of things that prevails in the Allahabad University, but so far as my own University is concerned we are in need of funds, and I would be extremely sorry to see this provision omitted from the Bill to which we look forward to give us a substantial amount of relief."

The Hon'ble Mr. MORISON said :—" With regard to the one University about which I know, I may add that it is on the verge of bankruptcy. The Hon'ble Member points out that it is desirable in the case of other Universities : and I think it is far more desirable in the Allahabad University for that reason."

The motion was put and negatived.

The Hon'ble MR. GOKHALE moved that in clause 7, sub-clause (2), for the words " one year " the words " three years " be substituted.

The Hon'ble MR. RALEIGH said :—" My Lord, I have really no reply to make, except what I have made before, that these are matters which have been very carefully considered by the Committee, and that I think the Council will do well to abide by the scheme as settled."

The motion was put and negatived.

The Hon'ble MR. GOKHALE moved that in clause 8, sub-clause (1) be omitted. He said :—" The sub-clause postpones in the case of the Universities of Allahabad and the Punjab election by Graduates. There is provision made in the Bill for election by Graduates in both these Universities ; but as I have already pointed out, the Chancellors of the two Universities are empowered to postpone this election till such time as they deem proper. My point is that this is unneces-

[*Mr. Gokhale; Mr. Raleigh; Mr. Morison; Rai* [19TH MARCH, 1904.]
Sri Ram Bahadur.]

sary. Whatever may have been the reason for withholding in Allahabad and the Punjab the elective franchise from Graduates in the past, there is no reason for such a course now. I find that at present there are about 835 B. A.'s of ten years' standing; there are, moreover, about 260 M. A.'s, and an even larger number of Bachelors of Laws.

"I confess that the figures of M. A.'s at Allahabad—260 against 231 in Bombay and 140 in Madras—somewhat astonish me; possibly the Allahabad standard of the M. A. is lower than the standard at Madras or Bombay, though perhaps Mr. Morison will not agree in this view. What I submit, however, is that the time has come when Graduates in these Universities should be allowed some sort of voice in the administration of their Universities, and when you have a constituency of over 1,000, nobody can say that it is a small constituency."

The Hon'ble MR. RALEIGH said :—"My Lord, in the three older Universities we have some experience of election by Graduates. In the two junior Universities, if introduced now, it would be a novelty. All that the sub-clause under discussion provides is that the novelty should not be introduced by the action of this Council but by the local action of the Chancellor. If the Graduates Association of Allahabad expresses the opinion of the general public, I have no doubt that due consideration will be given to it by the Chancellor of the University, and I think it had better be left to him to say what is the particular moment when this new form of election should be introduced."

The Hon'ble MR. MORISON said :—"I do not think that the Graduates form a good constituency at all, because they are not in a good position to judge of the merits of different candidates. The result of this amendment would be to introduce a quasi-political element into the University, because in the absence of any other representative assembly the Senate becomes the arena into which those who wish to cut a figure in politics naturally seek admission. It is not the place here to discuss the desirability of representative institutions in India, and I confine myself to saying that it is not the interest of education that the Senates should be converted into minor political debating societies."

The Hon'ble RAI SRI RAM BAHADUR said :—"I should like to offer one remark on this point, and it is this. Yesterday there was a discussion on this subject in connection with the amendments proposed on clause 6 of the Bill that the Graduates concurrently with the Senate of the University of Allahabad should have the franchise of electing Fellows. That amendment was not

[19TH MARCH, 1904.] [*Raz Sri Ram Bahadur; Mr. Gokhale; Mr. Raleigh.*]

accepted. The question here is the same, and I showed yesterday the number of Graduates, especially the Masters of Arts, on the rolls of the Allahabad University. The Hon'ble Mr. Morison has taken a novel ground against the extension of franchise of election in favour of the Graduates: he says that elections of Fellows to the Senates by the Graduates will turn them into arenas for politics. It is not only the Allahabad University which will be thus converted into a political arena, but all the Indian Universities will be so affected. Therefore, if the Graduates of the older Universities shall have the privilege of electing Fellows to the Senates, why should not the Universities of Allahabad and the Punjab enjoy a similar privilege?"

The Hon'ble MR. GOKHALE said :—" I must really protest against the spirit of the remarks made by the Hon'ble Mr. Morison. I do not think he has any reason to assume that Graduates will be influenced by political considerations any more than will Government be influenced by corresponding considerations. Again, even if Graduates are influenced by these considerations, it may be because there is a political side to educational matters. As regards his argument that it was not desirable to turn the Universities into debating societies, I may say that similar criticism has been levelled at this Legislative Council; it has been said that these Councils are after all little better than debating societies. I think no good is done by such sneers."

The motion was put and negatived.

The Hon'ble MR. RALEIGH moved that in clause 10 the proviso be omitted.

The motion was put and agreed to.

The Hon'ble MR. GOKHALE said :—" My amendment now is that the following proviso be added to this clause :—

' Provided that not less than one-half of the persons so nominated shall be nominated on the recommendation of the registered Professors in affiliated Colleges.'

" I admit that this is an attempt to obtain by a flank movement what we failed to secure yesterday by a frontal attack. We want that representation should be given to Professors. We urged that in two ways. My Hon'ble friend Dr. Mukhopadhyaya first of all urged that a special sub-clause might be added to the clause which deals with the election of Fellows and that the Professors should have the franchise conferred upon them. That was rejected. I then moved that in place of the election by Faculties there should be election by Fellows. That was also rejected. We now come to the proposal that the Chancellor should take into consideration the recommendations of

[*Dr. Asutosh Mukhopadhyaya*; *Mr. Raleigh*; *Mr. Gokhale*.] [19TH MARCH, 1904.]

object is to re-constitute it, it seems to me that the proportion which I have suggested is by no means too high. My Lord, my suggestion, I venture to think, is extremely moderate; I do not demand that the existing Senates should have any voice in the nomination of the new Senate; all that I want is a guarantee in the Bill itself that the best amongst those who have so long carried on the work of the Universities shall be retained on the new Senate. I think, my Lord, that the inefficiency of the present Senates has been greatly exaggerated, especially by persons who are outside the University, and who imagine, not unnaturally perhaps, that once they are within it matters will be set right in no time. My Lord, I shall have occasion later on to discuss whether the present condition of high education is attributable to the inefficiency of the Senate or to the steady and systematic deterioration of the Education Department of the State. All that I need say at present is that no case has been made out for the extinction of the present Senate, and I have grave doubts whether it would be practicable to constitute a new Senate by keeping out a substantial portion of the old Senate, with the help of third-rate teachers, who seem to be most clamorous for a share in the work of the administration of the University."

The Hon'ble MR. RALEIGH said:—"My Lord, I quite agree that the present Senates, whatever their defects may be, contain a large number of men who will be absolutely necessary if the new constitutions of the Universities are to be worked with success. Therefore, as far as my knowledge of what is likely to happen in the different Universities will enable me to judge, I should say that the object that the Hon'ble Member has in view is likely to be attained; but I do not see that any use is served by having a provision of the Bill to that effect, and for that reason I oppose the amendment."

The motion was put and negatived.

The Hon'ble MR. GOKHALE moved that to clause 12, sub-clause (b), the following be added, namely:—

"Provided that not less than half of the Fellows so nominated shall be nominated on the recommendation of the Fellows constituting the Senate at the commencement of this Act."

He said:—"My Lord, I attach very great importance to this amendment, as also to the one which follows. Even if the amendment which was just now moved by the Hon'ble Dr. Mukhopadhyaya had been accepted, I confess that that would not have satisfied me at all. Taking the case of the Bombay University, we have at present 270 fellows. If we suppose that the new Senate would consist of 75 men, all that would have been secured by that amendment

[19TH MARCH, 1904.] [*Mr. Gokhale; Mr. Raleigh; Mr. Pedler.*]

was that 50 out of these 75 should be out of the 270 who are Fellows now. I expect that more than that proportion will really be taken by the Government out of the existing Senate. The objection to the existing Senates is not that they exclude any one whom the Government would like to be there but that they include a large number of persons who ought not to be there. What I want is that when the new Senate is constituted, at least half of that new Senate shall be elected by persons who are members of the old Senate. My Lord, this summary extinction of the old Senate in so complete a manner is what I really take the strongest objection to. What the Bill proposes is that the old Senate shall bodily leave the hall of the University one fine morning, and that their places shall be taken by a new body of men appointed by Government for the purpose. Now, such a procedure is, I submit, French and not English; this sort of complete break of continuity between the new order of things and the old is really a most unusual thing so far as English constitutional methods are concerned. My Lord, these old Senates have done good work on the whole in the past. The Hon'ble Mr. Raleigh bore testimony yesterday to the character of the work that has been done. I hope that that testimony was not intended merely to soothe the feelings of those who are to be asked to leave. If they have deserved well of the State, it is not too much to ask that half of the men of the new Senate shall be recommended or elected by these men, on the lines of a resolution adopted by the Calcutta Senate. I therefore move that not less than half shall be nominated by the existing Fellows."

The Hon'ble MR. RALEIGH said :—"My Lord, I think it would be an act of the greatest unwisdom if we were to insert this proposed provision in the Bill. Taking the existing Senates as a whole, one has to consider not only what their composition is, but what is their present state of mind, and we have, whether we like it or not, to face the fact that so far as the debates which have taken place at Calcutta, Madras, and Bombay will enable us to judge, the majority of the existing Senates dislike the policy of the Government as embodied in this Bill and entirely distrust the measures which Government is pledged to carry out. That being so, what is likely to be the result of consulting them as to the choice of members for the new Senate? They would almost certainly recommend those of their members who are hostile to the Bill, and Fellows so recommended would be likely not to make the policy of the Bill a success but rather to introduce difficulties and delay. That reason is, I think, sufficient to dispose of Mr. Gokhale's amendment."

The Hon'ble MR. PEDLER said :—"I should like to add a few words to what has fallen from the Hon'ble Mr. Raleigh. I think, if the proposal put forward by the Hon'ble Mr. Gokhale is carried, it will postpone reform almost absolutely and indefinitely. While I should wish to bear testimony to the fact

[*Mr. Pedler ; Dr. Asutosh Mukhopadhyaya.*] [19TH MARCH, 1904.]

that a good deal of the work done by the Senates and by the Calcutta Senate in particular in the last few years has been most valuable, yet I think the discussions carried on since the question of University reform was started have shown that the present Senates are to a certain extent unsatisfactory and are unfitted for the work they have to carry on. I would point out that at the commencement of the working of the Universities under the new Bill we shall have to be especially careful to have a good expert Senate, for it is this new body which will have to prepare the new regulations on which the progress of education for the next quarter of a century will depend. Now, if the Hon'ble Mr. Gokhale's amendment were to be carried, it is quite possible, as the Hon'ble Mr. Raleigh has pointed out, that a considerable proportion of Fellows would be recommended to the Chancellor who might consistently oppose some of the reforms which are distinctly needed. I do not think we need go back far in the history of the Calcutta University to show that in that Senate we have a party which opposes reform. I do not want to go into details of cases, but the minutes of the Calcutta University show several cases where the decisions of the Senate were distinctly against discipline and order. I may perhaps just allude to one case, where some time ago the Syndicate came to certain conclusions on the clearest evidence, and these conclusions were submitted to the Senate but were not upheld by that body. Some other cases, not so glaring of course, have also occurred: but I should wish to avoid the possibility that we might have men recommended to the Chancellor for election some of whom might perhaps have taken part and have voted in a case in favour of what certainly was not law and order. For that reason, therefore, I entirely oppose the amendment."

The Hon'ble Dr. ASUTOSH MUKHOPADHYAYA said:—"The Hon'ble Mr. Pedler has given the Senate of the Calcutta University, to which he and I belong, an excellent character. He has referred to a particular case with every detail of which I may claim to be more familiar than the Hon'ble Member himself. It is not my desire to revive an unpleasant controversy which has been buried and forgotten; but, my Lord, the case to which my Hon'ble friend has made such pointed and such unfortunate allusion will not strengthen the cause for which he has been pleading. The persons who stood up for the cause of discipline and order on that occasion were the Indian gentlemen on the Syndicate—headed by the first Indian (shall I say the last Indian?) Vice-Chancellor which the Calcutta University had; the strenuous efforts of that Vice-Chancellor to maintain the cause of discipline and order were directed against the College owned by a leading member of the Indian community who might rightly be described as one of the most popular men in these Provinces; but these efforts were defeated by the combined action of some of the highest European officials on the Senate, and I regret to have to add that their action met with the approval of the Government of India. If any lesson

[19TH MARCH, 1904.] [*Dr. Asutosh Mukhopadhyaya ; Dr. Bhandarkar ; Mr. Gokhale*]

is to be drawn from that one case, it is that the Indians deserve better treatment at the hands of Government. If discipline is not maintained in the Calcutta University, the blame does not lie with the Indians : it lies upon other shoulders."

The Hon'ble Dr. BHANDARKAR said:—" I would like to add a word. The Hon'ble Mr. Gokhale speaks of turning out the Senate at once and then asks us what the Senate has done. The Senate will not be turned out even if his amendment is rejected. For most, if not all, of the new Fellows nominated by the Chancellor will be from the present Senate."

The Hon'ble MR. GOKHALE said:—" The argument used by the Hon'ble Mr. Raleigh and the Hon'ble Mr. Pedler constitutes a commentary on the character of the Bill which cannot be altogether gratifying to its authors. For it comes to this, that the vast majority of those whom the Government themselves have in the past put on these Senates are not to be trusted, even in the smallest measure, to co-operate in the work of carrying out the new reforms which the Government think it necessary to introduce. If that is really so, and if this is the state of things not in one but in all places, it might really make the Government reconsider whether the suggested reforms are after all so desirable.

"Another thing that I would say is that we often hear it stated in theory that opposition is good, and opposition is welcome. If opposition really is good, and if the presence of an influential opposition in any deliberative body has its uses, then I really do not see why there should be any objection to the adoption of this amendment simply on the ground that the persons likely to be elected would be opposed to the reforms which the Government wish to see carried out.

"As regards the particular instance which the Hon'ble Mr. Pedler gave, and to which the Hon'ble Dr. Mukhopadhyaya has given a very effective reply, I may say this. It was one of the four cases to which I referred yesterday in my speech. The records of this case I have carefully read, because my attention was drawn to it ; and, having read those records recently, I confirm every word of what the Hon'ble Dr. Mukhopadhyaya has said, namely, that seven Indian members of the Syndicate unanimously recommended a certain course, and that the measure might have been adopted at the Senate but for the fact that certain very influential Englishmen took up the case of the College in regard to which this proposal was made. Therefore, an instance like that does not strengthen the case of the Government."

The motion was put and negatived.

[*Mr. Gokhale ; Mr. Raleigh.*] [19TH MARCH, 1904.]

The Hon'ble MR. GOKHALE moved that for clause 12, sub-clauses (b) and (c), the following be substituted, namely :—

" (b) The Chancellor shall also, as soon as may be after the commencement of this Act, make an order directing that the Ordinary Fellows, who under the said provisions are to be elected by the Faculties, shall be elected by the Ordinary Fellows constituting the several Faculties at the commencement of the Act in such manner as the Chancellor may direct.

(c) When the Ordinary Fellows mentioned in clauses (a) and (b) have been elected, the Chancellor shall proceed to the nomination of Ordinary Fellows under section 6, sub-section (1), clause (c)."

He said :—"This is a more moderate proposal than the last one and should, I think, be accepted without hesitation. The whole scheme of election and nomination as contemplated by the Bill is this. Supposing we have 100 members of the Senate, we first of all have 10 elected by the Graduates ; then the 10 whom the Faculties have to elect are to be elected ; and lastly the remaining 80, or whatever number the Chancellor chooses to appoint, are to be appointed. This is the ordinary procedure laid down for the constitution of the Senate after this Bill becomes law. However, in regard to the first Senate a departure is proposed in the Bill from this provision. It is proposed that after the Graduates' election, the Chancellor shall make his nominations, and the persons nominated by the Chancellor and those elected by the Graduates together shall elect the persons whom the Faculties are to elect. That it is to say, the Chancellor is to nominate before the Faculties elect. The object of this departure seems to be to prevent the Faculties of the old Senate—those in existence at the commencement of the Act—from exercising the franchise and thus having even a small measure of voice in the composition of the new Senate. Even this small fraction of representation is not to be allowed to the old Senates, and therefore the whole scheme of the Bill is to be set aside temporarily and the Chancellor is to appoint his men, and then, when these men have been appointed, they and the Graduates' men together are to elect the men who should be elected by the Faculties. I may point out that this is hardly a reasonable procedure, because the men appointed by the Chancellor and the Graduates do not really constitute the Senate ; the Senate is not complete until the election by the Faculties takes place. I therefore think that the procedure should be as laid down in my amendment."

The Hon'ble MR. RALEIGH said :—"For the reasons which I gave in speaking to the last amendment I think it would be unwise to give the existing Faculties the right of election that is claimed for them, and I therefore oppose the amendment."

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[*Mr. Gokhale.*]

The Council divided :—

Ayes 4.

The Hon'ble Dr. Asutosh Mukhopadhyaya.
 The Hon'ble Nawab Saiyid Muhammad.
 The Hon'ble Mr. Gopal Krishna Gokhale.
 The Hon'ble Rai Sri Ram Bahadur.

Noes 18.

The Hon'ble Rai Bahadur Bipin Krishna Bose.
 The Hon'ble Mr. D. M. Hamilton.
 The Hon'ble Mr. J. B. Bilderbeck.
 The Hon'ble Dr. Ramkrishna Gopal Bhandarkar.
 The Hon'ble Mr. T. Morison.
 The Hon'ble Mr. A. Pedler.
 The Hon'ble Mr. H. Adamson.
 The Hon'ble Mr. E. Cable.
 His Highness the Agha Khan.
 His Highness the Raja of Sirmur.
 The Hon'ble Mr. A. W. Cruickshank.
 The Hon'ble Sir Denzil Ibbetson.
 The Hon'ble Sir A. T. Arundel.
 The Hon'ble Major-General Sir E. R. Elles.
 The Hon'ble Sir E. FG. Law.
 The Hon'ble Mr. T. Raleigh.
 His Excellency the Commander-in-Chief.
 His Honour the Lieutenant-Governor of Bengal.

So the motion was negatived.

The Hon'ble MR. GOKHALE moved that to clause 12, sub-clause (d), the following proviso be added, namely :—

“Provided that not less than half the Fellows so nominated shall be nominated on the recommendation of the Ordinary Fellows constituting the Senate at the commencement of this Act.”

The motion was put and negatived.

The Hon'ble MR. GOKHALE moved that for clause 12, sub-clauses (d), (e) and (f), the following be substituted, namely :—

“(d) In the case of the Universities of the Punjab and Allahabad, the Chancellor shall, as soon as may be after the commencement of this Act, make an order directing

[*Mr. Gokhale; Mr. Raleigh.*] [19TH MARCH, 1904.]

that the Fellows, who under the said provisions are to be elected by the Senate, shall be elected by the Ordinary Fellows constituting the Senate at the commencement of this Act.

(e) The Chancellor shall also, as soon as may be after the commencement of this Act, make an order directing that the Fellows, who under the said provisions are to be elected by the Faculties, shall be elected by the Ordinary Fellows constituting the several Faculties at the commencement of this Act.

(f) When the Ordinary Fellows mentioned in clauses (d) and (e) have been elected, the Chancellor shall proceed to the nomination of Ordinary Fellows under section 6, subsection (1), clause (c)."

He said :—" I will only make one observation, and it is this. The Senate of Allahabad elects at present every year half the number of Fellows that are appointed. Considering that this privilege is now to be withdrawn, I think it is only fair that half the number of the new Senate should at the beginning at least be elected by the old Senate."

The motion was put and negatived.

The Hon'ble MR. GOKHALE moved that in clause 12, sub-clause (k), for the word "three" the word "five" be substituted. He said :—" Under the scheme of the Bill the Senate is practically to be reconstituted in the course of five years, as no member is to be a member for more than five years, and a certain proportion are to go out every year; so that in the course of five years the Senate may be completely reconstituted. After the first Senate has been nominated, the process of going out is to begin at the end of three years: that is, a certain proportion of Fellows of the first Senate will be Fellows not for five years, but for three years only. The Bill provides that a Fellowship is to be of five years' duration, and I submit that there is no need whatever for departing from this rule even in the case of the Fellows appointed to the first Senate. The process of going out might begin at the end of five years instead of three years. Of course the result will be that some Fellows of the first Senate will hold office for more than five years—some for seven, some for eight and some for nine; but no harm is done to anybody by that."

The Hon'ble MR. RALEIGH said :—" My Lord, if in framing this Bill we had followed the rules which have been applied to many deliberative bodies by many other Acts, we should have provided that a fifth of the Senate should go out at the end of the first year and at the end of each of the following years, so as to bring the scheme into effect at once. That proposal when it came before

[19TH MARCH, 1904.] [*Mr. Raleigh ; Dr. Asutosh Mukhopadhyaya ; Mr Bilderbeck.*]

Government was objected to on the ground that Fellows might be dissatisfied if they were appointed for so short a period as one year. This term of three years was then suggested by way of a concession or compromise. It is important that we should not have more of a sudden break with the present constitution than is necessary, but I do not see the least reason for postponing the whole operation of the scheme for five years as the Hon'ble Mr. Gokhale suggests. I would therefore adhere to the provisions of the Bill."

The Hon'ble DR. ASUTOSH MUKHOPADHYAYA said:—"I desire to support this motion which is identical with the next one standing against my name. I regret I find myself unable to accept the provision that the first Ordinary Fellows appointed under the new Act shall be liable to removal after three years. I trust I am not making too large an assumption when I suppose that the first Senates will be constituted with the utmost care and caution. If this assumption is well founded, in my opinion they ought to be allowed to hold office for the minimum period of five years prescribed by clause 4. The only effect would be that the introduction of the system of retirement by rotation will be postponed for five instead of three years, and some of the Fellows first appointed may hold office for as long as nine instead of seven years. I am unable to see that any evil or inconvenience is likely to result, unless indeed it be suggested that in constituting the first Senate an abundance of excellent men will be left outside who ought to be brought in at the earliest possible opportunity to replace unwelcome men who may have been taken in on the first occasion for some reason or other."

The Hon'ble MR. BILDERBECK said:—"It seems to me, my Lord, that the principle to be kept in view here is to convert the old order into the new order at the earliest possible date without in any way impairing the efficiency of the University administration. This, I think, is secured by the proposals of the Bill. A shorter period than three years could not well have been proposed, inasmuch as it is extremely likely that it will take quite two years for the earliest constituted Senate to bring in a new body of regulations. It seems to me from the remarks that have been made that one or two features of the provisions of the Bill have been overlooked. According to the operation of the rules, it will only be one-fifth of the Senate as first constituted who will be withdrawn at the end of the third year, and again at the end of the fourth year, so that four-fifths of the men originally appointed would continue to hold office for four years and three-fifths for five years. It cannot, therefore, be said that there can be any danger of impairing the efficiency of University work, nor can it be contended that there is any serious hardship to individuals, more especially if we remember that after all the majority of the members of the newly consti-

[*Mr. Bilderbeck ; Mr. Gokhale.*] [19TH MARCH, 1904.]

tuted Senate are likely to be members of the Senate at the time the Bill come into operation. I must say that I am surprised at the Hon'ble Mr. Gokhale saying that the only effect of the proposed amendment was that perhaps some Fellows would hold office for eight, nine, or ten years. My Hon'ble friend has been such a champion for the cause of representation that, as I say, I cannot but be surprised that he has completely overlooked one of his own proposals. Assuming that there are no casualties at all, no deaths or retirements on the part of those members of the Senate who are appointed to the Senate on the results of the election of Graduates, there will be absolutely no elections at all for the first five years in the case of the new Senate, and those Graduates who represent the general educated public will have to possess their souls in patience and wait, unless there are casualties, till the end of five years before the system of election comes into operation. Moreover, if this rule be passed, it will necessitate the modification of one of the provisions which I think we have already accepted—the regulation as to the fees to be paid by Graduates for keeping their names on the register. For these reasons I must oppose the amendment.”

The Hon'ble MR. GOKHALE said:—“I am glad that the Hon'ble Mr. Bilderbeck admits that it will be at least two years before the new regulation are completed, and if the process of elimination is to begin at the end of the third year, it means that for this new Senate, as constituted at the commencement, there will only be one year to introduce the reforms about which the Government are so keen. Now, I do not think that in one year all the reforms will be carried out by the Senate, however efficient it might be. I think that nothing is lost by giving a longer period than one year to such a body for the work. As to the Hon'ble Member's remark about my being a friend of the principle of representation, I must state that it is because I am a friend of the principle of representation that I oppose this proposal. Under this Bill you give only 10 per cent. to election, as against 90 per cent. reserved for direct Government nomination and election by Government nominees, and it is because the principle of true representation fares so badly in this scheme that I deem it my duty to oppose it as far as possible.”

The motion was put and negatived.

The Hon'ble MR. GOKHALE moved that to clause 13, the following be added as sub-clause (3), namely :—

“(3) Notwithstanding anything contained in this section, any Fellow who at the commencement of this Act is entitled as such to vote for the election of any person to be a member of any Council for the purpose of making laws and regulations or of any local authority shall continue to be so entitled as if this Act had not been passed.”

[19TH MARCH, 1904.] [*Mr. Gokhale ; Mr. Raleigh.*]

He said :—" My Lord, this clause refers to the position of the old Fellows after this Bill becomes law. It is provided in the Bill that these men are to be honorary Fellows for life. The amendment that I have proposed I have taken from the original Bill as drafted by the Hon'ble Member himself. I admit that in Select Committee, when this question came to be considered, the Hon'ble Member gave what then appeared to be convincing reasons why this provision should be left out. He pointed out that it would be a matter of some inconvenience to have such a provision in a Bill passed by the Government of India, when the regulations under the Indian Councils Act had been framed with the sanction of the Secretary of State for India. Since then, however, I have discussed the matter with an eminent lawyer, and he thinks that the words 'as if this Act had not been passed' remove whatever difficulty there might otherwise have been. For purposes of the Council elections and elections to the local authority, the Senate would consist of all old Fellows and of the new Fellows holding office at the time of the elections. If this provision is left out of the Bill, then the whole thing will be left to the action of the executive ; and, though assurances have been given that steps will be taken to preserve the exercise of the franchise in the case of those who have hitherto been exercising it, I really would prefer that this point should be provided for in the Bill itself."

The Hon'ble MR. RALEIGH said :—" My Lord, I think the re-wording of the clause has removed the objection I took to it in Committee, and therefore I am prepared to accept this amendment."

The motion was put and agreed to.

The Hon'ble MR. GOKHALE moved that in clause 14, sub-clause (2), head (b), proviso, the word " half " be omitted. He said :—" This refers to the constitution of Faculties ; an important principle has been introduced in their constitution, and that was mainly at the instance of the Hon'ble Member in charge of the Bill, and that is that these Faculties are not to consist merely of men who are Fellows but that the Fellows in a Faculty may co-opt for certain purposes a certain number of outsiders up to a maximum limit of half their own number. Now, this is a very valuable provision : and I think the Hon'ble Member was himself disposed to go beyond the limit proposed in the Bill, in Select Committee. And as a matter of fact my amendment is in terms which the Hon'ble Member was himself at the beginning disposed to accept. The men who will thus be co-opted will be the persons from among whose ranks future Fellows might be nominated. Useful training ground is thus provided by this clause for enabling young men to make themselves acquainted with the affairs of the University, and I think

[*Mr. Gokhale; Mr. Raleigh; Mr. Pedler; Rai Sri Ram Bahadur.*] [19TH MARCH, 1904.]

there is no harm in increasing their number to double of what is proposed in the Bill. I therefore move that the word 'half' be omitted."

The Hon'ble Mr. RALEIGH said :—" My Lord, I agree with my Hon'ble Colleague in attaching some importance to this provision. I think it very desirable that we should find scope for what I may call a new idea in regard to the constitution of the Faculties. Up to now a Faculty in an Indian University has been simply a section of the Senate. We found that witnesses of great experience before the Commission had a difficulty in understanding how any person not a Fellow could be a member of a Faculty. It will, I think, have an excellent result if we allow the Faculties to strengthen themselves in this way. The limitation, which was in the nature of a compromise, was adopted in the Select Committee, and I think the Council ought to adhere to the scheme as settled by the Committee."

The Hon'ble MR. PEDLER said :—" I should like to say a few words upon this point. If the word 'one-half' is omitted the number of individuals or experts who may be added to the Faculties by the co-opt clause will of course be equal to the number of Fellows on the Faculties. As each member of the Senate will probably belong to at least one Faculty, the number of gentlemen on the Faculties, in the case of the Calcutta University, may rise to 200, that is to say, there may be 100 of the Ordinary Fellows and 100 of the co-opt members. These gentlemen will do the advisory work of the Faculties, and I think in a case like the Faculty of Arts we should probably get almost too large a number. If we wish to secure really good men on such Faculties, we must keep their number small, otherwise we should reproduce some of the evils which this Bill is intended to do away with. I therefore oppose the amendment."

The motion was put and negatived.

The Hon'ble RAI SRI RAM BAHADUR moved that in clause 15, sub-clause (1), for the first four lines the following be substituted, namely :—

" (1) The Syndicate shall be the executive Committee of the Senate, and shall discharge such functions of the Senate as it may be empowered to discharge by the regulations made by the Senate under this Act. The Syndicate shall consist of "

He said :—" My Lord, a higher position is assigned to the Syndicate under this Bill than it has under the Acts of Incorporation of the different Universities. This Bill does not clearly define the relation between the Senate and the Syndicate. It scattered provisions deprive the Senate of some of the very important powers

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now possessed by that body and confer them on the Syndicate. The Senate, instead of maintaining the position which it had under section 8 of Acts II, XXII and XXVII of 1857 which created the Universities of Calcutta, Bombay and Madras, respectively, and section 9 of Act XIX of 1832 and Act XVIII of 1887 which constituted the Punjab and Allahabad Universities, respectively, will now occupy a lower position. Instead of entrusting the entire management of, and superintendence over, the affairs of the University to the Senates, the Bill relegates them to the position of a mere consultative body and makes them only a medium of communication between the Syndicates and Government. Under the present Acts and regulations the position assigned to the Syndicate is that of an executive committee of the Senate with power to discharge such functions of the Senate as it may be empowered to discharge by the rules. The position of the Syndicate is defined in section 13 of the Allahabad and Punjab Acts and the regulations made by the three older Universities. It is submitted, therefore, that no higher position than that occupied by the Syndicate at present should be assigned to it."

The Hon'ble Mr. RALEIGH said :—" My Lord, I think this amendment is unnecessary. There is nothing in this Bill to make a substantial alteration in the position of the Syndicate. It will still be in substance the committee of the Senate, and it will still carry on the executive business of the University as it does at present. I quite admit that it is very easy to raise a legal argument as to what is executive business and what is not, and what are the respective functions of a Syndicate and a Senate, respectively. But so far as my enquiries extend, that is not a question which has ever given rise to any administrative difficulty in the past, nor do I anticipate that under the language of this Bill any such difficulty is likely to arise. It seems to me that the language of the Bill is appropriate and I see no necessity to alter it."

The motion was put and negatived.

The Hon'ble Mr. GOKHALE moved that in clause 15, sub-clause (1), head (b) be omitted, and that clause (c) be re-lettered (b). He said :—" This refers to the constitution of the Syndicate. The Bill provides that the Syndicate shall consist of, first, the Vice-Chancellor, secondly, the Director of Public Instruction, and then such a number of Fellows between seven and fifteen as may be elected to represent the several Faculties. Now my proposal is that from this list the Director of Public Instruction be omitted. I submit that no case has been made out for making him an *ex officio* member. If he took an interest in University matters and was anxious to be a member of the Syndicate,

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My Lord, I object most strongly to this provision. No one was more anxious than myself that the Professors should have statutory representation on the Senate, but when substantial representation has been given to them as a class in the Senate, the best men among them ought to be left to find their seats on the Syndicate by the approval of their fellows. When 40 per cent. of the Senate consists of one interest, is it conceivable that in the election of the Syndicate half the members will not come from that particular interest, unless the men were of exceptionally modest attainments or modest claims to the recognition of their fellows? And I submit, my Lord, that in this possible contingency the Legislature is not justified in coming to the rescue of such men. My Lord, what would be the effect of a provision like this? I take the case of the Bombay University. I find that in addition to the Deans who are *ex officio* members of the Syndicate there are 2 men representing Law, 2 men representing Engineering, 2 more representing Medicine, and 4 men representing Arts. It was pointed out in Select Committee that the Professors of Law are generally junior men. They are generally junior barristers who have not yet got a firm footing in their profession, and they are very often not Fellows. If none of these men is elected to the Syndicate, and further if no Engineering Professor is elected, as the Engineering College of our Presidency is at Poona, a distance of 120 miles from Bombay, the statutory proportion will have to be secured by giving all the four seats of the Faculty of Arts to Professors. This, I think, will be very unfair.

“My Lord, I think that after all the question of experts has to be looked at from a practical standpoint. Even when it is suggested that experts should be in a majority on the Syndicate, or should have a certain statutory proportion set aside for them, what does it really amount to? The men who may represent Medicine or Engineering will not by themselves form a majority of the Syndicate, and their views can prevail only on account of their moral influence, *i.e.*, because the matters having reference to their branches of study are technical and they have expert knowledge of them. If then these men have after all to depend not on their numbers but in their moral influence, where is the special advantage in giving the Professorial element half the number of seats by the Statute?”

The Hon'ble MR. RALEIGH said :—“My Lord, the provisions to which the Hon'ble Member has been objecting were not originally dictated or suggested by Government. They were pressed upon the Universities Commission by a surprisingly large number of teachers in Colleges. The argument to which we

[9TH MARCH, 1904.] [*Mr. Raleigh ; Dr. Asutosh Mukhopadhyaya.*]

constantly had to listen was this, that if it was suggested that the Syndicate should be armed with powers of inspection and control over Colleges, then in view of the past history of the Syndicate the teachers in Colleges were apprehensive as to what might happen if these powers were exercised by a Syndicate mainly composed of persons unacquainted with College administration, and under the present state of things that apprehension was certainly not unfounded. The Hon'ble Mr. Gokhale is no doubt aware that the recent elections in Bombay have resulted in a Senate of 15 members, of whom only 3 are engaged in University teaching. I do not know whether Mr. Gokhale regards that as a proof of the wisdom with which things are managed in Bombay. I think it a very unsatisfactory state of things, and if there were any chance of that balance of powers being reproduced under the new constitution, then this clause would be absolutely necessary. I think that the probability of our having a Syndicate of 15 with only 3 teaching members will be very much smaller under this Bill than it was in the past. But these provisions have been introduced in order to satisfy what I think I may call the prevailing opinion of University teachers, especially in the University of Bombay, and I hope that the Council will adhere to them now."

The Hon'ble DR. ASUTOSH MUKHOPADHYAYA said:—"I desire to support this motion which is identical with the next one standing against my name. I am unable to accept the provision contained in clause 15, sub-clause (2), which provides that a number, not falling short by more than one of a majority, of the elected members of the Syndicate shall be Heads of or Professors in Colleges affiliated to the University. I concede that the provision relating to this matter in its present amended form is of a more practical character and less open to objection than the corresponding provision in the Bill as introduced in Council. I deem it essential that teachers ought to be fairly represented on the governing body of the University, but surely this object ought to be attained not by means of any artificial rules as proposed in the Bill but by securing to teachers of eminence and distinction full and adequate representation on the Senate; if that is done, as I hope it will be done under the new system, teachers will be duly represented on the Syndicate even by unrestricted election, not merely because they are teachers but because they deserve to be there. Moreover, any rule for the representation of teachers on the Syndicate which does not safeguard the interests of Government, aided and unaided Colleges, will be rightly regarded as unsatisfactory, and I fail to see how, under existing conditions, all Colleges, or even all classes of Colleges, can be represented on the Syndicate. Then again

[*Dr. Asutosh Mukhopadhyaya ; Dr. Bhandarkar.*] [19TH MARCH, 1904.]

every person who has any practical knowledge of the kind of work which the Syndicate has to discharge, must concede that for the proper administration of the business of the University it is essential that the Syndicate should include persons who are not interested in individual Colleges, and upon this point I am fortified in my views by the opinion of the Hon'ble Member in charge, who in his introductory speech stated that it is very desirable that Syndicates should include officials and business men who are able to devote a portion of their time to the affairs of the University. If, therefore, it is deemed necessary to secure the presence of a prescribed minimum number of teachers on the Syndicate, it is equally necessary to prescribe a maximum number for them so as to secure the presence of men who are not connected with any particular institution. My Lord, I deem it my duty to say, though I do so with great regret, that if it be the object to strengthen the position of the Director of Public Instruction on the Syndicate by the presence and support of Government teachers, that object is likely to be secured by this artificial rule, and the only persons who stand in need of, and are likely to be benefitted by, such a rule are the worthy gentlemen whom Your Excellency once fittingly described as 'obscure teachers.' "

The Hon'ble DR. BHANDARKAR said :—"The Hon'ble gentlemen that have spoken say on the one hand that the necessary number of Professors will be secured on the Syndicate by election. Then what objection there can be to having a provision to that effect in the Bill? If they insist on the omission of the provision it must be so because they think it as likely as not that Professors should be elected. They want this; but what I want is that there should necessarily be a certain number of Professors on the Syndicate, and to secure this the provision is wanted. Then with regard to what Mr. Gokhale said, that there was not a sufficient number of Professors to represent the Professorial element in the different Faculties on the Syndicate, instancing the Engineering College at Poona and the Law College at Bombay, I say that, though the Engineering College is situated in Poona, its Principal, Dr. Cooke, represented the Engineering Faculty for about ten years on the Syndicate. The present Principal might similarly be elected to represent that Faculty. As to circulars taking up a long time when sent to Poona, in Dr. Cooke's time no inconvenient delay occurred. On the other hand, a great deal of delay and inconvenience were caused by the Bombay members on the Syndicate unnecessarily detaining the circulars. As to the Law College, though the European Professors are junior members of the Bar, there are others who are senior pleaders and vakils. Why might they not be elected members of the Syndicate? So that as regards the number of men

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to be elected, there can be no difficulty whatever and not less than half the number of Syndics should be Professors. The matters that come up before the Syndicate have reference principally to the education practically given in the Colleges, to the examinations which have a close connection with it, and to general discipline. These certainly are better understood by the Professors than by others who follow another occupation. The evils of our present system are mainly due to the fact that there is only a small minority of Professors on the Syndicate, there are only three on the Syndicate at Bombay composed of fourteen members. If the provision in the Bill securing half the number of seats to Professors is erased, they will ever remain in a minority. To my mind a University is a body of learned men, and if persons from other walks of life are taken in at all, it is to enable them to see how what they do strikes a stranger, and modify their views accordingly, *i.e.*, indirectly to influence them and not to override them and take the whole management into their hands. Persons having had nothing to do with pupils and no experience of teaching whatever cannot be expected to supervise and control education efficiently. To entrust them with that work is to employ an amateur to do the work of an artist. Persons interested in upholding the present state of things have been loud in their expression of contempt for educationists ; and a certain Fellow of the Calcutta University is reported to have said that it is the function of teachers to teach and not to control education. It is such men, I dare say, that have brought the University to that pass which has rendered fresh legislation necessary."

The Hon'ble MR. MORISON said :—"I wish to say that, like the Hon'ble Dr. Bhandarkar, I feel very strongly that teachers ought to have a statutory right upon the Syndicate. The work is for the most part of a highly technical nature, dealing with examinations and collegiate rules. It is further a great advantage to have rules framed and directions given to affiliated institutions by persons who will themselves have to carry them out, such being the Principals and the Professors."

The Hon'ble MR. PEDLER said :—"I confess I find it almost impossible to understand the position taken up by the Hon'ble Mr. Gokhale and the Hon'ble Dr. Mukhopadhyaya in this matter. Both Hon'ble Members have been in touch with education and with the working of Universities for a great number of years, and I should have thought that they would have found out by this time that the one place where expert knowledge and expert direction is essential is in the Syndicate. If their experience has been the same as mine,—and I have sat on the Calcutta Syndicate now for a great many years,—it will be to the effect that the largest portion of our trouble in University matters has been due to this want

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of expert knowledge of the members of the Syndicate. These bodies pass certain rules and certain orders without duly understanding what the effect of these rules and orders will be, because they have never themselves experienced the difficulties and trouble of carrying out these things. I think I am right in saying that in the Calcutta Syndicate the teaching element has not been properly represented. Speaking roughly, only about one-fourth to one-fifth of the members of the Syndicate have usually been members of the teaching profession. I may perhaps draw attention to some of the facts lately published in a little pamphlet which I fancy has found its way into the hands of some Hon'ble Members. In it certain points with reference to the Syndicates are taken up, and the figures, as far as I can remember them, are these. During the last ten years in the Calcutta University 14 Graduates of European Universities have been elected members of the Syndicate and have occupied 26 out of 100 vacancies. These Graduates have occupied only 8 out of 50 vacancies filled up by election by the Faculty of Arts. This year again in the Faculty of Arts only one teacher has been elected as a Syndic. Now the case as regards Bombay is quite similar, and I can corroborate what has fallen from the Hon'ble Mr. Raleigh from the fact that quite recently the Chancellor of the Bombay University has written to me in a similar strain saying that in that University in the present year they have only about one-fourth to one-third of the members of the Syndicate consisting of teachers, while the Faculty of Medicine has not returned a single teacher to the Syndicate. In my opinion such a proportion as this is quite insufficient for carrying on the work of the Syndicate properly, and I therefore believe if Mr. Gokhale's amendment is accepted we shall again find ourselves in difficulties. I should therefore strongly oppose any alteration in the existing provision in the Bill."

The Hon'ble MR. GOKHALE said :—" My Lord, I desire to make a brief reply. The Hon'ble Member in charge of the Bill says that the provisions to which I take exception have been introduced at the instance of an overwhelming body of educational experts. That is precisely my complaint. I think that the Hon'ble Member has listened somewhat too readily to the tale of grievances that has been poured into his willing ears by many so-called experts. The Hon'ble Mr. Pedler prophesies that unless some such provision as that which has been introduced here is passed the present state of things would, in the course of a few years, reappear. How little faith has he in this Bill that is to make the Senate a truly academic body ! The Hon'ble Mr. Raleigh spoke of only three members out of the Syndicate in Bombay being this year members of the teaching profession. I have noted that, but I may mention that the

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elections have taken place this year under peculiarly unfavourable circumstances. There is at the present moment a feeling of considerable exasperation against educational experts, and naturally in the present state of feeling you cannot expect a large body of these men to be elected to the Syndicate by those who think that the experts are largely responsible for voting away the life of the existing Senates. As regards the argument that the Syndicate will have now to arrange for a regular inspection of Colleges, I have stated in my Minute of Dissent, and I repeat, that we have not got the men here to undertake such inspection. If Government would import from time to time men like Professor Ramsay, I would have no objection ; but to allow the Professors of one College to go and inspect another College, is, I respectfully submit, a very objectionable procedure. I submit therefore that this very power of inspection requires that the Professors in the Syndicate—who can represent only a few colleges—should not be in a position to do as they please in the matter.'

The motion was put and negatived.

The Hon'ble RAI SRI RAM BAHADUR moved that clause 18 be omitted.

He said :—" My Lord, it has not been shown that any need has yet arisen for legislation on this point, nor has it been shown that provisions similar to these exist in legislations affecting other Universities. I am not aware that any case has ever arisen in which such a provision might be required. I therefore propose that this clause should be omitted."

The Hon'ble MR. RALEIGH said :—" The power to cancel a degree is possessed, and on very rare occasions exercised, by most if not all the Universities with which I am acquainted. We propose in this clause to give that power in a carefully guarded form, and I see no reason either to omit the clause or to make any modification in it."

The Hon'ble MR. MORISON said :—" I cannot understand how it is that the Hon'ble Member who moved this amendment does not resent behaviour which brings discredit upon our Graduates ; if the Hon'ble Member esteems and values education, I should have thought that he would have been very jealous of the good name of the educated classes. Black sheep there will be in every large community, and the only way that that community can clear itself of the stain which the presence of such men brings is to repudiate them publicly and emphatically. My experience in India has shown me that a class which really cares about its good repute will bind itself by regulations far severer than this one in

[*Mr. Morison ; Mr. Pedler ; Rai Sri Ram Bahadur.*] [19TH MARCH, 1904.]

the Bill. The old students of my college have formed an Association of which one of the rules is 'that an old boy who does anything to bring discredit upon the College shall have his name removed from the roll of the Association.' "

The Hon'ble MR. PEDLER said :—" I would just like to make one remark in reply to an observation made by the Hon'ble Rai Sri Ram Bahadur. He said he did not know that any case had ever arisen in which this section of the Bill might be required to be put in force. Now my experience perhaps has been more unfortunate than his, for within the first three or four years of my Indian service I came into contact with a most unworthy gentleman who held the degree of B. A. of a certain Indian University. I will explain the circumstances. I was sent by the Government of India to see an eclipse of the sun in the Nicobar Islands, and a certain number of the convicts there were told off to help in the work of putting up observatories and help each Observer in putting up his instruments. I made enquiries as to the history of some of these men with whom I came into contact. One I found to be a B. A. who had been sent, first, to the Andaman Islands, and, having there again misbehaved himself by committing forgery, he was sent as an extra punishment down to the Nicobar Islands. I know of other cases, but one is quite sufficient for my purpose. I therefore think that this clause ought to remain in the Bill."

The motion was put and negatived.

The Hon'ble RAI SRI RAM BAHADUR moved that after the word " offence " in the sixth line the following words be inserted, namely :—

" implying a defect of character which unfits him to hold the degree, diploma, license, title or mark of honour."

He said :—" My Lord, the term ' serious offence ' used in the 18th clause of this Bill is of a very wide significance. It may include culpable homicide not amounting to murder though committed on grave and sudden provocation, and the offence of causing grievous hurt under the same circumstances. A conviction under any of these offences would in no way reflect against the moral character of the person convicted. The words which I propose to be inserted in this clause are those which the Indian Legislature has incorporated in the different Municipalities Acts in their provisions for the removal of the presidents and members, etc., of those bodies, as well as in the Legal Practitioners Act for striking off the name of any legal practitioner from the rolls. I therefore beg that the provisions of this clause should be brought on a level with the other Acts of the Indian Legislature."

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The Hon'ble MR. RALEIGH said:—"My Lord, the Bill as amended requires for the cancellation of a degree the consent of two-thirds of the Senate and the confirmation of the Chancellor. I think these safeguards are sufficient and see no necessity for modifying the Bill."

The motion was put and negatived.

His Excellency THE PRESIDENT said:—"We have now come to the large group of clauses and amendments relating to that part of the Bill which deals with the subject of affiliated Colleges. I therefore propose that we should adjourn at the present stage. As regards Monday, I think it will probably be the desire of every Hon'ble Member here, if it be possible, to conclude the debate upon that day; and I would suggest, therefore, that, as we still have on the Agenda paper 35 amendments to dispose of, we had better meet rather earlier in the morning. I propose accordingly that the Council should meet at 10 o'clock instead of 11 on Monday.

"There is another observation that I should like to make with regard to the discussion that has taken place on these amendments. I think some Hon'ble Members have been disposed to take advantage with almost undue liberality of the privilege of reply. I have not one word to say about the most reasonable brevity which they have observed [in making their speeches or motions. But, as regards reply, of course if an Hon'ble Member is to consider it his duty to answer every objection that has been raised by every Hon'ble Member round the table, the discussion may go on for ever. Our rules admit of the privilege of reply, and therefore I do not presume to regard it as irregular; but I may say that I have never seen the prerogative of reply interpreted in any assembly with the exceeding liberality that is done here. I sat in the House of Commons for twelve years, and I can say that such a thing would never have been permitted there; indeed, the privilege of reply is only conceded to a mover on rare occasions, and, so far from a member thinking it his duty to reply to every objection, his attitude is that the majority of them are not worth answering at all. I wish that Hon'ble Members here could see their way to adopting that position to a rather greater extent than they do now.

"We will meet again on Monday, and I hope that we shall be able to complete the Bill on that afternoon."

The Council adjourned to Monday, the 21st March, 1904, at 10 A.M.

CALCUTTA;

The 30th March, 1904.

J. M. MACPHERSON,

*Secretary to the Government of India,
Legislative Department.*

Proceedings of the Council of the Governor General of India, assembled for the purpose of making Laws and Regulations under the provisions of the Indian Councils Acts, 1861 and 1892 (24 & 25 Vict., Cap. 67, and 55 & 56 Vict., Cap. 14).

The Council met at Government House, Calcutta, at 10 A. M. on Monday, the 21st March, 1904.

PRESENT :

His Excellency Baron Curzon, P.C., G.M.S.I., G.M.I.E., Viceroy and Governor General of India, *presiding*.

His Honour Sir A. H. L. Fraser, K.C.S.I., Lieutenant-Governor of Bengal.

His Excellency General Viscount Kitchener of Khartoum, G.C.B., O.M., G.C.M.G., Commander-in-Chief in India.

The Hon'ble Mr. T. Raleigh, C.S.I.

The Hon'ble Sir E. F.G. Law, K.C.M.G., C.S.I.

The Hon'ble Major-General Sir E. R. Elles, K.C.B., K.C.I.E.

The Hon'ble Sir A. T. Arundel, K.C.S.I.

The Hon'ble Sir Denzil Ibbetson, K.C.S.I.

The Hon'ble Rai Sri Ram Bahadur.

The Hon'ble Mr. A. W. Cruickshank, C.S.I.

His Highness Raja Sir Surindar Bikram Prakash Bahadur, K.C.S.I., of Sirmur.

His Highness Agha Sir Sultan Muhammad Shah, Agha Khan, G.C.I.E.

The Hon'ble Mr. Gopal Krishna Gokhale, C.I.E.

The Hon'ble Mr. E. Cable.

The Hon'ble Nawab Saiyid Muhammad Sahib Bahadur.

The Hon'ble Mr. H. Adamson, C.S.I.

The Hon'ble Mr. A. Pedler, C.I.E., F.R.S.

The Hon'ble Mr. T. Morison.

The Hon'ble Dr. Ramkrishna Gopal Bhandarkar.

The Hon'ble Mr. J. B. Bilderbeck.

The Hon'ble Mr. D. M. Hamilton.

The Hon'ble Rai Bahadur B. K. Bose, C.I.E.

The Hon'ble Dr. Asutosh Mukhopadhyaya, D.L., F.R.A.S., F.R.S.E.

INDIAN UNIVERSITIES BILL.

The adjourned debate on this Bill was resumed today.

The Hon'ble RAI SRI RAM BAHADUR moved that in clause 19 the words "by special order of the Senate" be omitted. He said :—"The Syndicate

[*Mr. Pedler; Mr. Gokhale; Mr. Raleigh.*] [21ST MARCH, 1904.]

their staff of Professors at the end of a season, say in April, and re-engage some or all of them again at the end of June, the object of course being to save the salaries for three months. So in the same way I have found that if in certain of the Colleges, not the satisfactory ones of course, any Professor does not give satisfaction, or if he does not entirely obey what the Proprietor of the College may order, he receives notice, and the College may sometimes be without a Professor for months at a time. I should therefore strongly support the Hon'ble Mr. Raleigh's remarks and oppose the amendment mainly on behalf of the good teachers."

The motion was put and negatived.

The Hon'ble MR. GOKHALE moved that in clause 21, sub-clause (1), head (c), between the words "will be made" and the words "in conformity with the regulations" the words "within a reasonable time after affiliation has been granted" be inserted. He said:—"This amendment refers to sub-clause (c), which lays down among other things that the College will have to satisfy the Syndicate that proper provision will be made for the residence in the College or in lodgings approved by the College of students not residing with their parents or guardians. Now, while I entirely agree that a College which fails to make this provision neglects an important duty, I think that it should be allowed a reasonable margin of time after affiliation for making this provision. My Lord, in a country where the people are so poor as they are with us, private enterprise in the field of education is hampered by a number of difficulties. In the case of my own College, with all the sympathy that we received from the Princes and people of our Presidency, it took us ten years of incessant effort after affiliation to bring up our equipment to its present standard. In the case of other Colleges the difficulties might be even greater. I trust, therefore, that my amendment will be accepted, so as to remove all reasonable ground for complaint."

The Hon'ble MR. RALEIGH said:—"My Lord, the sub-clause as it stands uses the expression 'will be made', and that is, I think, sufficient to secure that the reasonable time for which the Hon'ble Member has pleaded will be granted. The words which he proposes to add would not really strengthen the sub-clause in any way, because obviously, when you say a reasonable time, then the authority upon which we are conferring the power, that is, the Syndicate, would have to say what is meant by a reasonable time. I think that practically there is no danger that the Syndicate would use this power in such a way as to impose any unfair demand on the promoters of a new College, and therefore I see no necessity for the amendment."

The motion was put and negatived.

[21ST MARCH, 1904.] [*Mr. Gokhale ; Nawab Saiyid Muhammad ; Mr. Raleigh.*]

The Hon'ble MR. GOKHALE moved that in clause 21, sub-clause (1), head (f), between the words "be made" and the words "for the residence of the Head of the College" the words "within a reasonable time after affiliation has been granted" be inserted. He said:—"My reasons for this amendment are the same as for the previous one. I think the provision to be made for the residence of the Principal of the College and some of the Professors might not be practicable at once, and some time might be allowed. However, I do not wish to say anything after what has fallen from the Hon'ble Member and merely make the motion."

The motion was put and negatived.

The Hon'ble NAWAB SAIYID MUHAMMAD moved that in clause 21, sub-clause (1), head (f), for the words "the Head of the College and some members" the words "one member" be substituted, and the words "the College or" be omitted. He said:—"In moving this amendment, I beg to point out that when a College applies for affiliation the demand that provision should be made for the residence of the Head of the College and some members of the teaching staff in or near the place provided for the residence of students seems to me unnecessary and in many instances may be impracticable. When a College is newly established, there will be a great difficulty in finding suitable accommodation for the residence of students, and it will be adding to the difficulty if accommodation is to be provided for the residence of the Head of the College and some members of the teaching staff. It will be easier to arrange for the residence of some one member of the staff.

"Again, there is absolutely no reason why the Head of a College or any member of the teaching staff should invariably be required to reside in or near the College itself. It may with some reason be demanded that some sort of supervision be kept on students in the place provided for their residence. For that purpose, it will be sufficient if any one member of the staff who has to supervise is required to reside in or near the place provided for the residence of students."

The Hon'ble MR. RALEIGH said:—"My Lord, this sub-clause is designed to promote the object so strongly approved by Mr. Justice Ameer Ali and other authorities who know the circumstances of Colleges in this country and to give our Colleges, as far as possible, a residential character. I am quite aware of all the difficulties in the way, financial and other, and therefore we inserted words which are not usually found in the statute law.

[*Mr. Raleigh ; Rai Sri Ram Bahadur.*] [21ST MARCH, 1904.]

These words give a very wide discretion and I think are a sufficient protection to Colleges. I therefore see no necessity for the Hon'ble Member's amendment."

The motion was put and negatived.

The Hon'ble RAI SRI RAM BAHADUR moved that in clause 21, sub-clause (1), head (f), for the word "and" the word "or" be substituted, and for the word "members" the word "member" be substituted. He said:—"This is an amendment slightly different from the one proposed by my Hon'ble friend Nawab Saiyid Muhammad. If special residential quarters for some one member of the teaching staff be provided, that will be quite sufficient, and not for the Head of the College, as well as for the members of the teaching staff."

The Hon'ble Mr. RALEIGH said:—"My reply to the Hon'ble Member is the same as that to the last amendment."

The motion was put and negatived.

The Hon'ble RAI SRI RAM BAHADUR moved that in clause 21, sub-clause (1), head (f), after the word "staff" the words "or some other competent person" be inserted. He said:—"The amendment relates to the clause just now discussed. There are colleges which have superintendents of boarding houses. These officers, though not belonging to the tutorial staff, live in the boarding houses. The amendment proposed by me, if accepted, will provide for such cases."

The Hon'ble Mr. RALEIGH said:—"My Lord, I think the language of this amendment is rather dangerously vague. The object of the sub-clause is to secure that the teaching and governing staff of the College take the responsibility for places in which the students reside, and I think it is very desirable that they should do so. The words 'competent person' on the other hand are extremely general. We have cases of hostels, for instance, where the person employed as a khansama is put in charge of students, and it might be contended that the khansama in his own line of business is a competent person. It is to guard against cases of that kind, and to ensure the competent supervision of the teaching members of the College, that the sub-clause was retained."

The motion was put and negatived.

[21ST MARCH, 1904.] [*Mr. Raleigh; Mr. Gokhale.*]

The Hon'ble MR. GOKHALE moved that in clause 21, sub-clause (1), head (g), for the words "its continued maintenance" the words "its maintenance in an efficient condition" be substituted. He said :—"This refers to sub-clause (g), which lays down that the College seeking affiliation shall have to satisfy the Syndicate that the financial resources of the College are such as to make due provision for its continued maintenance. The word that was used in the original Bill was 'permanent'. In the Select Committee it was changed into the word 'continued'. 'Continued maintenance' might, however, be misinterpreted as well as 'permanent maintenance', the expression being supposed to imply that the College should have resources, other than current, of a character to ensure its continued existence. It must be remembered that the provisions of these sub-clauses, though they apply in the first instance to new Colleges seeking affiliation, have been made applicable by a subsequent clause to existing Colleges. Thus, the Syndicate may at any time call upon any affiliated College to satisfy it as to what its resources are, and the Syndicate might say that, though they were sufficient to enable the College to maintain itself in an efficient condition while they lasted, there was no guarantee that they would always last, and therefore there was no guarantee of the continued maintenance of the College. I submit that all that the Syndicate has really to concern itself with is to see that the College is able to maintain itself in an efficient condition, and I therefore move that the words 'its maintenance in an efficient condition' should be substituted for the words 'its continued maintenance'."

The Hon'ble MR. RALEIGH said :—"My Lord, the wording of this sub-clause was settled after a very careful discussion in the Select Committee, and with great deference to my Hon'ble Colleague I must decline now to discuss its merits. I think our methods of business will not be improved if we take up questions of this nature in open Council."

The motion was put and negatived.

The Hon'ble MR. GOKHALE moved that in clause 21, sub-clause (1), the sentence beginning "The application shall further contain" be omitted. He said :—"These words were not in the original Bill; they were added in Select Committee. They are to the following effect :—

'The application shall further contain an assurance that after the College is affiliated any transference of management and all changes in the teaching staff shall be forthwith reported to the Syndicate.'

"Now I have no objection to a College being called upon to report any transference of management; but in regard to changes in the teaching staff, well,

[*Mr. Gokhale; Dr. Asutosh Mukhopadhyaya.*] [21ST MARCH, 1904.]

I really think that a provision of that kind might at times be very irritating. If they are permanent changes I do not object to a College being called upon to report, but even temporary changes are included within the scope of this sub-clause, and to that I have a strong objection."

The Hon'ble MR. RALEIGH said :—" I think it very important that changes in the teaching staff of the College should be notified to the University, and I think it desirable that the attention of the College should be called to that duty when the application for affiliation is being considered. But I may explain that these words were inserted in the Bill on the motion of my Hon'ble friend Dr. Asutosh Mukhopadhyaya, and I think I may enjoy the luxury of retiring from the field and allowing my two most formidable critics to fight it out between themselves."

The Hon'ble DR. ASUTOSH MUKHOPADHYAYA said :—" My Lord, the clause to which my Hon'ble friend Mr. Gokhale has taken exception was, as has been stated by the Hon'ble Member in charge, inserted in the Bill by the Select Committee at my instance, and I adhere to my view that it is a necessary improvement upon the Bill as originally framed. My conception of affiliation is that it is a continuing and subsisting relation between the University and the College, and every safeguard ought to be provided for the practical achievement of this conception. When a College is affiliated, two elements, which I may describe as the material and the personal element, have to be taken into consideration. So far as the material element is concerned, under which head I include the College building, the laboratory and the residence of the students, it is little liable to sudden change or capricious alteration. But so far as the personal element is concerned, under which head I include the constitution of the committee of management and the tutorial staff, it is liable to sudden changes. To take one example : the authorities may affiliate a College upon the assurance of a committee the members of which are of the highest standing and unimpeachable character ; as this committee is not a corporation, there is nothing to prevent its dissolution at any time ; it is conceivable that the management may be transferred to irresponsible persons, as indeed happened not many months ago in the case of a Bengal College, which had been affiliated originally at the instance of a wealthy landowner who subsequently transferred the management of the institution to a speculator, under whose excellent guidance the College was ruined. The Syndicate did not discover this fact till it was brought to their notice years after by the exasperated Principal of the College. Similarly, in the case of the tutorial staff, affiliation has often been secured at a time when the College was manned by able Professors who have

[18TH MARCH, 1904.] [*Dr. Asutosh Mukhopadhyaya ; Mr. Gokhale.*]

been gradually replaced by inferior men. This, my Lord, in my opinion, is an extremely undesirable and absolutely indefensible state of things. The Syndicate is entitled to say that they must be kept duly apprised of all changes in the committee of management and the tutorial staff. I do not apprehend for a moment that the Syndicate will ordinarily find it necessary to intervene ; if I am not very much mistaken, the effect of the clause will be to prevent unnecessary and undesirable changes, which I regret to say are not always introduced very wisely or in the true interests of the students. I must, therefore, oppose the motion of my Hon'ble friend."

The Hon'ble MR. GOKHALE said :—" In deference to what fell from Your Excellency on Saturday last, I have, I hope, been exercising the right of reply more sparingly today, but I cannot allow the remarks of the Hon'ble Dr. Asutosh Mukhopadhyaya to pass without a reply. I may point out that much of what this unlettered sub-clause contains is really provided for in other ways. For instance, one of the conditions laid down in clause 21 is that the College should be under a regularly constituted governing body, and that the Syndicate should be satisfied about the qualifications of the teaching staff and the conditions governing their tenure of office. And the Syndicate is empowered to call for reports from time to time on these points from a College. The Syndicate therefore really possess all the power that is needed. This assurance binds nobody : there is no penalty attaching to its non-fulfilment and it is, moreover, a perfectly unnecessary assurance. I have already stated that in regard to the transference of management I have no objection and my Hon'ble friend need not have elaborated that point at all ; but in regard to changes in the teaching staff—especially temporary changes—I must say that great inconvenience must arise in practice. I think those who have any experience of the working of a College will realize that at once. I therefore think that this sub-clause should be omitted."

The motion was put and negatived.

The Hon'ble MR. GOKHALE moved that in clause 21, sub-clause (2), for the words " record their opinion on the matter " the words " pass such order as they deem proper : Provided that if the order is for granting the application, the previous sanction of the Government shall be necessary before the order becomes effective " be substituted. He said :—" I beg first to point out that amendments 81, 83* and 86† all hang together. They are practically three

* That in clause 21, sub-clause (3) be omitted, the following sub-clauses being renumbered accordingly.

† That in clause 21, sub-clause (4), for the word " Government " the word " Senate " be substituted.

[*Mr. Gokhale ; Mr. Raleigh.*] [18TH MARCH, 1904.]

parts of one and the same amendment, and I had given notice of them all as one amendment. I hope, therefore, that Your Lordship will allow me to speak to these three amendments taken together.

“ The three amendments of which I have spoken refer to the power which the Government have expressly taken to themselves under this Bill to make affiliation a direct act of their own. Under the old law the matter is governed by regulations which have received the sanction of Government. These regulations leave affiliation, in all Universities, to be granted by the Syndicate or Senate, with the previous sanction of Government. This is reasonable and this is all that is really necessary. The present Bill, however, goes much beyond that and lays down that the Syndicate and the Senate are merely to report and the Government are to pass final orders on an application for affiliation, and they may override even the unanimous opinion of the Syndicate and the Senate, and either grant or withhold affiliation. My Lord, no case has been made out for thus reducing the Syndicate and the Senate to a position so devoid of dignity or importance, and I therefore move the amendment standing in my name.”

The Hon'ble MR. RALEIGH said :—“ My Lord, we have now come to a group of amendments which are all governed, according to my view of the case, by the same principle; and the principle is this, that in the affiliation and disaffiliation of Colleges the responsibility rests not on the University alone but on the University acting in co-operation with Government. We consider that a proposal to add a new College to the University, or a proposal to strike a College off the list, is a matter on which the Government ought to be fully informed and a matter in which also Government should take the responsibility of final decision. The only objection which, as far as I can see, has been taken to that in the part of the Bill we are now considering is that the Government after an unfavourable report from the Syndicate and Senate may insist on affiliating the College. I would ask the Council to consider whether that is at all probable. Hitherto the Government has been criticised for attempting to apply a high standard, some say an impossibly high standard, to the Colleges. Is it then at all likely that if the Syndicate and the Senate are of opinion that there is no sufficient guarantee for securing efficient teaching or permanent maintenance, or adequate supervision of students, the Government will still insist on affiliation? That seems to me so improbable as to be almost out of the question, and therefore I would maintain the Bill in its present form.”

[21ST MARCH, 1904.] [*Mr. Morison ; Mr. Gokhale.*]

The Hon'ble Mr. MORISON said :—"I think this the most important and the most valuable provision in the Bill. Our Senates and Syndicates are largely composed of Fellows who belong to or represent the Colleges which are popularly supposed to be in rival competition with each other. The public does not believe that these Fellows are free from bias if they recommend disaffiliation or refuse affiliation, and the Senates and Syndicates are apt to decide weakly and timidly when they recall that they will be charged with jealousy or partiality for taking a certain course. A short while ago the Syndicate of Allahabad University made difficulties about the affiliation of the Central College at Benares, and this action was very generally attributed to the jealousy or malice of certain members of the Syndicate. The action of Government is less liable to misrepresentation. The Government may, perhaps, be accused of wanting to arrest the spread of education, but as between rival institutions the impartiality of the Government is generally trusted I think. It is, again, important to the University that affiliation and disaffiliation should be the acts of an external authority."

The Hon'ble Mr. GOKHALE said :—"I will say just one word in reply to the Hon'ble Mr. Raleigh. If it is inconceivable that the Government will exercise this power as against the unanimous wishes of the Syndicate and Senate, then there is no reason whatsoever why the Government should take this power. I think the new Senate and Syndicate are entitled to at least as much confidence and as much consideration at the hands of Government as the old bodies, and the provisions as they stand in the Bill are quite derogatory to them.

"As regards what the Hon'ble Mr. Morison said, well, my idea of a Senate is different from his. If affiliation and disaffiliation are to be direct acts of an outside authority exercised independently of the wishes of the Senate and the Syndicate, I do not think there is much dignity or independence left to such a University."

[*Dr. Asutosh Mukhopadhyaya.*] [21ST MARCH, 1904.]

The Council divided :—

Ayes 4.

The Hon'ble Dr. Asutosh Mukhopadhyaya.
 The Hon'ble Rai Bahadur Bipin Krishna Bose.
 The Hon'ble Mr. Gopal Krishna Gokhale.
 The Hon'ble Rai Sri Ram Bahadur.

Noes 18.

The Hon'ble Mr. D. M. Hamilton.
 The Hon'ble Mr. J. B. Bilderbeck.
 The Hon'ble Dr. Ramkrishna Gopal Bhandarkar.
 The Hon'ble Mr. T. Morison.
 The Hon'ble Mr. A. Pedler.
 The Hon'ble Mr. H. Adamson.
 The Hon'ble Nawab Saiyid Muhammad.
 The Hon'ble Mr. E. Cable.
 His Highness the Agha Khan.
 His Highness the Raja of Sirmur.
 The Hon'ble Mr. A. W. Cruickshank.
 The Hon'ble Sir Denzil Ibbetson.
 The Hon'ble Sir A. T. Arundel.
 The Hon'ble Major-General Sir E. R. Elles.
 The Hon'ble Sir E. FG. Law.
 The Hon'ble Mr. T. Raleigh.
 His Excellency the Commander-in-Chief.
 His Honour the Lieutenant-Governor of Bengal.

So the motion was negatived.

The Hon'ble DR. ASUTOSH MUKHOPADHYAYA moved that to clause 21 the following new sub-clause (6) be added, namely :—

“(6) An enquiry under this section shall not be made by any person who is directly or indirectly interested in any affiliated College in the neighbourhood of the College proposed to be affiliated.”

He said :—“ One of the most important provisions of the Bill regarding the relations between the University and the affiliated Colleges is the right of inquiry and inspection conferred upon the Syndicate. It is unquestionable that the University should exercise an effective power of control over affiliated Colleges and should exercise some degree of supervision over them ; this can only be done properly by a periodical and systematic inspection of every College, no matter

[21ST MARCH, 1904.] [*Dr. Asutosh Mukhopadhyaya ; Mr. Raleigh ; Mr. Bilderbeck.*]

under whose management it may be. It is obvious that such inspection is essential at the time of the affiliation of the College, during its continuance and also at the time of disaffiliation, should such a contingency unfortunately arise. But it is equally clear that such enquiry, if it is to inspire confidence, and such inspection, if it is to be productive of good results, must be cautiously and judiciously made by an absolutely impartial and the most qualified person available. In order to enable the University to discharge this new function of enquiry and inspection properly, it is essential that as soon as funds permit the University should make provision for the appointment of a special and eminently qualified officer. But inasmuch as this may not be found practicable immediately and as enquiry may have to be conducted and inspection may have to be made by what is described in the Bill as any competent person, I venture to suggest that provisions may be inserted in the Bill directing that no such enquiry and inspection shall be made by a person directly or indirectly interested in any affiliated College in the neighbourhood of the College which has to be inspected or in respect of which an enquiry has to be made."

The Hon'ble MR. RALEIGH said :—"It seems to me that if we accept this amendment it will carry us very far. As my Hon'ble Colleague Mr. Morison pointed out a short time ago, all University authorities are constituted of persons the greater number of whom are interested, or at least the Hon'ble Dr. Asutosh Mukhopadyaya would hold them to be interested, in Colleges. If therefore we assume that a legal provision is necessary in order to prevent the Syndicate from doing what would be unwise and unfair, then it seems to me that we ought to have introduced rather elaborate safeguards into every part of the University constitution. I admit that certain apprehensions have been excited by the proposal to inspect Colleges. There are, for example, in a certain town in Bengal two Colleges that carry on a rather lively feud with one another, and people who do not like this Bill think it reasonable to assume that the Principals of those two Colleges will be appointed to inspect one another and the results will be unsatisfactory. But there is really no reason, assuming that we have a moderately competent Syndicate, to fear that anything so unwise will be done. I therefore do not think the amendment necessary."

The Hon'ble MR. BILDERBECK said :—"I wish to remark, my Lord, that I object to the introduction of any provision of this nature which postulates a possibility of a lack of commonsense or of a sense of common justice in a body like the Syndicate. It seems to me too that the provision would exclude the employment of one or two men who must be described as interested in the

[*Mr. Bilderbeck ; Rai Sri Ram Bahadur ; Mr. [21ST MARCH, 1904.] Gokhale.*]

institutions of the Presidency and who might be the persons best qualified to decide on the questions that might be raised. I refer of course to the Inspector of the Division or the Director of Public Instruction himself."

The Hon'ble RAI SIR RAM BAHADUR said:—"I beg to support the amendment. I know of an instance in our own Province in which, had it not been for the interference of Government, a College though most efficient in every respect would not have been affiliated to the University because of the rivalry of another College in that particular locality, as my Hon'ble friend Mr. Morison will bear me out. I therefore say that this is a good safeguard and should be provided in the Bill."

The motion was put and negatived.

The Hon'ble MR. GOKHALE moved that in clause 23, sub-clause (2), for the word "shall" the word "may" be substituted, and after the words "in this behalf" the following be added, namely:—"whenever the Syndicate has reasons to think that the efficiency of the College has fallen below a reasonable standard." He said:—"My Lord, this amendment refers to the clause which provides for the inspection of Colleges by the Syndicate. The clause as it is worded here reads thus:—

'(2) The Syndicate shall cause every such College to be inspected from time to time by one or more competent persons authorized by the Syndicate in this behalf.'

"Now, my Lord, in theory I have no objection to the inspection of Colleges. It also looks very nice on paper. As a matter of fact, however, in practice there will be very great difficulties in carrying these provisions out. My Lord, we have not got the men in this country to go and inspect the quality of teaching imparted in the different Colleges. It may be argued that the inspection was not intended to have reference especially to the quality of the teaching; but the recent Resolution of the Government of India on the subject of education makes special mention of the quality of teaching as one of the points on which inspection is to take place: and if that be so, my Lord, I submit that one of two things will happen: either men who are not qualified to go and inspect Colleges—to inspect the quality of teaching imparted in Colleges—will go and do this work, or else this provision will remain a dead letter. In either case it is undesirable that the provision should find a place in this Bill. In Colleges the men who teach are supposed to be specialists. How can one man, even if he were a most distinguished one, pronounce on the quality of the teaching of a number of

[21ST MARCH, 1904.] [*Mr. Gokhale ; Mr. Raleigh.*]

specialists? If you want to send a separate expert for testing the College teaching in regard to separate subjects, you will have to send as many experts as there are subjects. This inspection, again, is bound to be a source of much difficulty and irritation in practice. There are some men in some Colleges who are on a much higher level than corresponding men in other Colleges, and if any of the latter are selected to inspect the work of any of the former, the inspection is likely to be resented.

“My Hon’ble friend Mr. Morison speaking to a previous amendment of mine said that the impartiality of members of the Syndicate has very often been questioned, and therefore it is not desirable that questions affecting the starting of rival Colleges should be left to the Syndicate. Well, that same argument applies to this case. If members of the Syndicate undertake the inspection duty, it will in practice mean the inspection of one College by a Professor in another. If you had University Professors then it would be a different thing. Then those Professors could have gone about and done the work of inspection. In their absence you will have to draw the inspecting officers from among the men belonging to the Colleges, and this, as I have pointed out, is likely to prove very unsatisfactory. I think there is only one case in which inspection should be provided for, and that is where the Syndicate has reasons to think, from the periodical reports received or from the results of examinations, that the College has allowed its efficiency to sink below a reasonable standard. In that case there would be no indignity in a member of any College going to inspect such a College.”

The Hon’ble MR. RALEIGH said:—“My Lord, my Hon’ble friend Mr. Gokhale wishes to make inspection an occasional duty of the Syndicate, a duty which is not to be performed except where it has reason to apprehend that there is something wrong or seriously defective. The Government of India, on the other hand, are of opinion that there ought to be a regular inspection of Colleges. It will be remembered that in the Despatch of 1854 inspection of Colleges was contemplated, and what it was intended at that time to introduce was inspection by Government. We now propose that inspection should be conducted by University agency. We are quite aware that our proposal raises the question whether it will be possible for members of the Syndicate to undertake this duty with good effect, the question whether the University will be able to provide itself with some regular machinery for inspecting all its Colleges—these are questions which I prefer that each University should work out for itself, but I think that the duty of regularly inspecting its Colleges should be imposed upon each of them.

[*Mr. Raleigh ; Mr. Pedler.*] [21ST MARCH, 1904.]

I have indicated the real difficulties in the case: the difficulties which the Hon'ble Mr. Gokhale has started, if he will pardon me for saying so, appear to me to be somewhat fanciful. He seems to imagine that inspection of Colleges can only be undertaken by some impartial authority who is able to set right each Professor in his own special subject, and his vivid imagination conjures up a person of this kind—a person of overbearing manners and no commonsense, who comes into a College, takes delight in finding fault and sets himself to contradict eminent Professors in their own special subjects. He then asks us to say who there is in India who will undertake to come and inspect Mr. Selby's work in philosophy, or Mr. Bain's work in political economy, or Mr. Paranjpye's work in mathematics.

"Now let us bring the matter to a practical test. The Hon'ble Mr. Gokhale and I have been colleagues now for some time, and he knows very well that I am not qualified to put myself in comparison with any of the three distinguished teachers whom I have named; but if the Bombay Syndicate were to employ me to inspect the Poona Colleges, I should accept that mission without serious misgivings. I should endeavour by enquiry on the spot to ascertain the quantity and the quality of the work done, and I should write a report trying to bring out the good points of the Poona Colleges, which are many, for admiration and imitation elsewhere, and if there were any points in which one might in a friendly way suggest an improvement in the working of those Colleges, those also might be mentioned.

"Now inspection of this kind would introduce a new element into Indian University life. Your Excellency once used the phrase 'watertight compartments' in describing how people of different provinces and different communities in India work out their own problems without ever meeting to compare the advantages of different systems. That observation applies with great force to our College life. Nothing has struck me more in going about the country than to find men who have given many years of devoted labour to their own Colleges, who seem to know nothing about other good Colleges which may be quite close to them. Now if a University makes a business of introducing inspection, in the sense which I have tried to give to that term, the result will be that the experience of each College will be brought into the common stock and turned to account for the benefit of every other College of the same University."

The Hon'ble MR. PEDLER said:—"I wish to strongly oppose the amendment proposed by the Hon'ble Mr. Gokhale. It appears to me that if any University affiliates a College, that gives a certain right to the University

[21ST MARCH, 1904.] [Mr. Pedler ; Mr. Gokhale.]

to see that the work which is being carried on is up to the required standard, and there is only one way of ascertaining this, and that is by being in actual touch with such College. The experience that I have had in Bengal has shown me the absolute necessity, not only of inspection now and again, but of frequent and periodical expert inspection. Unless Colleges know what is expected of them they really do not work up to the standard required. When going round with the Universities Commission I think that the one fact brought out most prominently was the desirability of this form of inspection. Perhaps I have said one or two rather strong things in reference to Bengal in the course of the debate, and I should now wish to add that in whatever Province the Universities Commission made their tours the same facts were revealed. In every Province bad Colleges were found to exist which should never have been affiliated and which urgently required to be brought up to a higher standard to make them in any way comparable with the other Colleges which had been affiliated to the University. I may mention the case of one College, not in Bengal—a second grade College—where, on visiting it, it was found to consist of one room, very dark, very dirty, divided into two sections by a canvas partition which was torn in various places. The whole furniture consisted of two or three benches in very bad repair. There were two students on the roll of this College. Now, if there had been anything like a periodical inspection, such a College as this would either have ceased to exist or been made to rise to a proper standard. I therefore think it is absolutely essential that there should be a periodical inspection of these Colleges.”

The Hon'ble MR. GOKHALE said :—“I beg leave to say just one word in reply to what the Hon'ble Mr. Raleigh has said. He practically leaves the difficulty of the question untouched. He says that this question, how the inspection should be exercised, should be left to the different Universities to decide. That does not carry us very far. Of course, he offers himself to go and inspect Colleges, if appointed to do so; but I do not think there are many men of his type available: so even that is not a practical suggestion.

“As regards what the Hon'ble Mr. Pedler says, it must be remembered that under this Bill the Syndicate will be empowered to call for periodical reports from Colleges on such points as it deems proper, and I myself am willing that where a College has sunk below a certain standard, inspection should be enforced; but in all other cases the inspection will be only nominal or else it will be needlessly irritating.”

The motion was put and negatived.

[Dr. Asutosh Mukhopadhyaya:] [21ST MARCH, 1904.]

The Hon'ble DR. ASUTOSH MUKHOPADHYAYA moved that to clause 23 the following new sub-clause be added, namely :—

"(4) An inspection under this section shall not be made by any person who is directly or indirectly interested in any affiliated College in the neighbourhood of the College to be inspected."

The motion was put and negatived.

The Hon'ble DR. ASUTOSH MUKHOPADHYAYA moved that in clause 24, sub-clause (2), for the words "Before taking the said motion into consideration, the Syndicate shall" the words "If upon such motion, the Syndicate is of opinion that there are *prima facie* grounds for enquiry, the Syndicate shall, before taking further action in the matter," be substituted. He said :—"My Lord, the provisions of the Bill which define the procedure to be followed, when a College has to be disaffiliated, appear to me, if I may say so without discourtesy, to be of a somewhat unpractical character, though I must confess that in the Bill as amended some improvements have been made. But even now the Bill provides that if a member of the Syndicate gives notice of a motion to disaffiliate a College, accompanied by a statement of his reasons, the matter must go up to the Government notwithstanding that it may turn out that the charges are groundless and that the individual member concerned may have been sadly mistaken or grievously misled. Once the initiative has been taken, once the ball has been set in motion, there is no agency that can stop it. I cannot conceive that there is any necessity for a provision like this. I therefore venture to suggest that, before any action is taken by the Syndicate upon any motion for disaffiliation, the Syndicate should be satisfied that there are *prima facie* grounds for enquiry; unless the Syndicate is so satisfied, I do not see the necessity for any public enquiry. After all we are concerned with and recognise the Senate and the Syndicate and not individual members of either body. A public enquiry into the conduct of a College is a matter of the utmost gravity and may seriously affect its position and reputation, and I have no hesitation in saying that such an enquiry ought not to be instituted at the instance of any individual member of the Syndicate whatever his position may be; such an enquiry ought to be held only if the Syndicate is satisfied that a *prima facie* case has been made out. I hope, my Lord, I shall not be told that if my suggestion is accepted the Syndicate may decline to hold an enquiry where an enquiry ought to be held. If your re-constituted Syndicate deserves this want of confidence, the most perfect piece of legislation which this or any other Council may manufacture will be of no avail in effecting the educational reforms which every right-minded man desires."

[21ST MARCH, 1904.] [*Mr. Raleigh; Mr. Gokhale.*]

The Hon'ble MR. RALEIGH said :—" My Lord, I must refer to what I said in starting on this group of amendments in regard to the duty imposed upon the Government and the University in this matter. It appears to me that the motion to disaffiliate a College is a very serious one. It raises a question on which not only the University but also the Government should be fully informed, and if in a body like the Syndicate one member is prepared to take upon himself the extremely unpleasant task of proposing the disaffiliation of a College, the case seems to be one that must be settled by authority, and on which the procedure indicated in the Bill must be followed."

The motion was put and negatived.

The Hon'ble MR. GOKHALE moved that in clause 24, sub-clause (3), after the words " shall make a report to the Senate " the words " if, in their opinion, the rights conferred on the College by the affiliation should be withdrawn " be added. He said :—" When a proposal to disaffiliate a College comes before the Syndicate, the Syndicate may come to the conclusion that disaffiliation was not at all necessary. If the Syndicate takes this view, then the Senate should not be troubled in the matter, and the question should not go up to Government at all. The argument just now urged by the Hon'ble Mr. Raleigh appears to me to be somewhat extraordinary. He would set one member of the Syndicate above all the other members. If one member proposes disaffiliation and the others are all against it, Mr. Raleigh would wish that the Government should express an opinion. Now, my Lord, look at the number of safeguards that already exist. First of all, eighty per cent. of the Senate are to be nominated by Government, and these are to elect the Syndicate, and in this Syndicate half the member of seats are by statute reserved for Professors. If in these circumstances the Syndicate is not to be allowed to decide whether a motion for disaffiliation should or should not go to the Senate and the Government, I submit that the Syndicate has no real authority conferred on it."

The Hon'ble MR. RALEIGH said :—" My Lord, my reply to this is the same as to the last amendment. I think that, if the proposal to disaffiliate is made, it is a case for inquiry not only by the University but also by the Government, and that the best way of securing the consideration of the serious questions raised is to follow the procedure laid down in the Bill."

The motion was put and negatived.

The Hon'ble MR. GOKHALE moved that in clause 24, sub-clause (4), for the words " record their opinion on the matter " the words " pass such order as they deem proper : Provided that, if the order is for disaffiliation, the previous sanction of the Government shall be required before it become

[*Mr. Gokhale; Mr. Raleigh; Dr. Asutosh Mukhopadhyaya; Rai Sri Ram Bahadur.*] [21ST MARCH, 1904.]

effective" be substituted. He said:—"My amendment is practically the same in substance as the existing regulations of the different Universities on the subject of disaffiliation. My Lord, I submit that where the Syndicate or the Senate, or the Senate acting on a recommendation of the Syndicate, comes to the conclusion that there is no need for disaffiliation, the matter should not go to Government. If disaffiliation is resolved upon, of course the previous sanction of the Government should be necessary, and that is the present practice. No case has been made out for a larger measure of Government interference and control than this. On the other hand, the new constitution of both the Senate and the Syndicate is a powerful argument against the course proposed."

The Hon'ble MR. RALEIGH said:—"I cannot accept this amendment. I think my reasons have already been stated by implication."

The motion was put and negatived.

The Hon'ble DR. ASUTOSH MUKHOPADHYAYA moved that to clause 24 the following new sub-clause (7) be added, namely:—

"(7) An inspection or enquiry under this section shall not be made by any person who is directly or indirectly interested in any affiliated College in the neighbourhood of the College proposed to be disaffiliated."

The motion was put and negatived.

The Hon'ble RAI SRI RAM BAHADUR moved that in clause 26, sub-clause (1), head (a), after the word "Government" the words "which shall come into force after such sanction" be added. He said:—"What I propose is that when the rules have been framed by the Senate and Government sanction has been obtained, the rules should come into force without any interference by the Government."

The Hon'ble MR. RALEIGH said:—"My Lord, I think the proposal to omit sub-clause (b) raises an important question of principle. I oppose this amendment, but perhaps the argument had better be stated on the next motion."

The motion was put and negatived.

The Hon'ble MR. GOKHALE moved that in clause 26, sub-clause (1), head (b) be omitted. He said:—"This clause reads as follows:—

'26. (1) Within one year after the commencement of this Act or within such further period as the Government may fix in this behalf,—

(a) the Senate as constituted under this Act shall cause a revised body of regulations to be prepared and submitted for the sanction of the Government;

[21ST MARCH, 1904.] [*Mr. Gokhale ; Mr. Raleigh.*]

- (b) if any additions to, or alterations in, the draft submitted appear to the Government to be necessary, the Government, after consulting the Senate, may sanction the proposed body of regulations, with such additions and alterations as appear to the Government to be necessary.'

"The clause refers to the new body of regulations that have to be framed by the Senate. I admit that the provision is only of a temporary character, and the power that the Government would exercise under this clause would be confined to the first body of regulations and would not apply to any subsequent regulations that may be framed afterwards ; but all important regulations will be included in the first body, and therefore there is not much comfort in the fact that subsequent regulations will be free from such interference on the part of Government. My Lord, I submit that a University ought to be left in a matter of this kind to determine what regulations it requires, and the Government should be content to have the power of sanctioning or vetoing them. This is not a matter like affiliation and disaffiliation where it may be urged that, owing to the rivalries and jealousies of different Colleges, it is necessary for the Government to keep in their own hands the power of both initiation and control. The members of the new Senates will—at least ninety per cent. of them—be appointed because of their fitness to be members of an academic body. Surely these men ought to be trusted to frame proper regulations. We have been told again and again that the Universities at present do not attach sufficient value to the opinion of experts. Well, the Government in their turn do not err on the side of trusting the experts too much either. After all, how little is the risk in leaving this matter to the Senate ! The men are nominated by Government, and it is in the last degree unlikely that they would in any way set themselves in opposition to the wishes of Government in any important matter. Moreover, who is better qualified to advise the Government in these matters than a Senate composed of men appointed to be Fellows because of their being educational experts ? I think therefore that head (b) of sub-clause (1) of clause 26 should be omitted."

The Hon'ble MR. RALEIGH said :—"My Lord, this particular sub-clause has been a good deal commented upon, and is relied upon as evidence that the Government are taking to themselves too much power to control the Universities. I will state as clearly as I can the reasons for which I think it should be regarded as a necessary part of the Bill. The Government has accepted in general terms and with some important modifications the policy which was outlined in the Report of the Universities Commission. If that policy is to be carried out, it will be necessary in the case of each University that the regulations should be revised, and that there should be, as the Bill proposes, a new body

of regulations. Now there were two courses open to the Government. They might have followed the course which has on various occasions been taken by University reformers in England. When Lord Salisbury, for instance, undertook to introduce certain changes into the courses of study and the administration of the University of Oxford, how did he proceed? He induced Parliament to pass an Act under which a Statutory Commission was appointed to make regulations for the Universities. There were seven members of the Commission and, when they proceeded to make new statutes for the University, two members of the University were appointed to sit with them. In the same way when they came to make new statutes for a College two members of that College were added to the seven Commissioners, and this body, appointed by Parliament, after sitting for a considerable time produced the statutes under which the daily work of the University is now carried on. Well, we could not well follow a procedure of that kind in India simply because it would have been difficult to find men who were at once competent to do the work and able to devote the necessary time to its completion. We therefore proposed, and the proposal is altogether in favour of the University, that the University itself should in the first instance make its own regulations. That, I submit, so far from showing any want of confidence in the Universities, shows that we are prepared to give them the largest possible measure of power in framing the rules under which they are to work.

“Now everything, from the Government point of view, depends upon the new constitution of the University being started with regulations which are complete and which in important points of principle are satisfactory. Instead of appointing an outside authority to go round and make regulations for each University, with or against its will, we proposed that the Universities themselves should make regulations and that we should merely retain the power to make additions or alterations in the body of the regulations when it is presented. This general description of our policy must be taken subject to the assurance which, speaking in the name of Government, I gave on the introduction of this Bill, namely, that Government had no idea of using this temporary power merely for the sake of introducing uniformity, and that we disclaimed altogether the idea that there could be any good in reducing the five Universities in India to a rigid uniformity, or in prescribing, for example, the same courses of study in each. These are matters in which we are perfectly content that each University should frame its own policy. But in case—and it is a perfectly conceivable case—any influence should prevail which would prevent a University

[21ST MARCH, 1904.] [*Mr. Raleigh ; Dr. Asutosh Mukhopadhyaya.*]

from making a regulation at all, or induce it to make an unsuitable regulation, then we ask for the power to make the addition or the alteration required, and I submit that we are not asking for more than is necessary. For these reasons I would keep the sub-clause."

The Hon'ble DR. ASUTOSH MUKHOPADHYAYA said :—" I desire to support this motion which is identical with the next one standing against my name. I entirely dissent from the view that the Government should take power to add to or alter the regulations. Under the Act of Incorporation as also under this Bill, regulations framed by the Senate do not acquire any binding character till they have received the approval of the Government. The power of veto which the Government thus enjoys is, I venture to think, quite effective for all practical purposes. If the re-constituted Senate was intended to be a miscellaneous body of amateurs, I could appreciate the propriety of such a provision in the law. But it seems to me to be quite inconsistent with the avowed character of the University as a body of experts, that an elaborate set of regulations framed by them should be liable to be modified by the Government, and I am unable to see where Government will get expert advice outside the Senate to help it in the performance of this delicate and difficult task. If the Government has got such expert advisers, surely they ought to be on the Senate, so that they may take part in the deliberations of the University when the regulations are framed. My Lord, I deem it my duty to say that this provision of the law is indefensible and I am fortified in my view by a significant sentence in the Report of the Select Committee where they recommend the adoption of this clause on the understanding that the power conferred will not be used to introduce changes in the courses of study and other matters in which the University may be trusted to frame its own rules with the sanction of Government. To me, at any rate, it is a novel procedure to take power under an Act of the legislature in the widest possible terms and then to couple it with an assurance in the Report of the Select Committee that the power conferred is intended to be exercised only in certain undefined cases. My Lord, this cannot be right. A provision like this, which it is conceded is of a needlessly wide and sweeping character, naturally raises in the minds of people an apprehension as to what may or may not result from an interference on the part of the Government. I willingly concede that it is not merely inevitable but necessary and desirable that the Government should exercise some degree of control over the University ; yet it does not follow by any means that the Government should reserve to itself such possible power of interference as may reduce the University to a department of the State. Let the University be re-constituted

[*Dr. Asutosh Mukhopadhyaya ; Dr. Bhandarkar ;* [21ST MARCH, 1904.]
Mr. Morison ; Mr. Pedler.]

with the utmost care and caution. But if the Universities are to take root and grow on Indian soil, the re-constituted Senates must be trusted and allowed to enjoy some degree of independence. I am afraid, my Lord, there are people still haunted by the phantom of inept Senates which will disappear under the operation of this Bill—and they are applying to the new Senate restrictions which might be perfectly justifiable in their application to existing Senates.”

The Hon'ble DR. BHANDARKAR said :—“ I beg to support this amendment. If Government really want something to be put in the regulations, they can easily get it done by making suggestions. Even our present Senates have never thrown away any suggestions from Government. Our Bombay University adopted at the suggestion of Government the school final examination. In the same manner Government suggested that Patography might be added to the course of one of our degrees. All the Universities accepted it, and ours laid down a more elaborate course than the others and it still stands in the Calendar. I do not remember a single occasion on which a suggestion of Government was thrown out by the present Senate.”

The Hon'ble MR. MORISON said :—“ I wish to say that when I was serving on the Committee I supported this provision only on the distinct understanding which was then given that this power would not be used to override the Universities, but it was solely intended to secure that a complete body of regulations shall be submitted for sanction ; I understood that this clause was only to be used in case the Universities attempt to escape from the provisions of section 25, by delaying indefinitely the drafting of regulations with regard to such clauses as they do not like. As it appears that the Government are not now prepared to give any such assurance I will support the amendment.”

The Hon'ble MR. PEDLER said :—“ I have not much to say with reference to the present amendment ; but I wish to oppose it for one or two practical reasons. When a body of regulations is made it is almost sure that there will be a few omissions or a few things which will require revision. All that this sub-section (b) says is that the Government after consulting the Senate may sanction the proposed body of regulations, etc. ; so that while the Government would be adding to or amending the regulations, the Senates would have the opportunity of expressing their views, and I think it may be taken as an axiom that any such representations would be carefully listened to and given full weight.”

[21ST MARCH, 1904.] [*Nawab Saiyid Muhammad ; Rai Sri Ram Bahadur ; Sir Denzil Ibbetson.*]

The Hon'ble NAWAB SAIYID MUHAMMAD said :—"My Lord, clause 26, sub-clause (1), head (b), seems to me unnecessary and, in some measure, unconstitutional. Past experience does not justify any departure from the practice now followed of allowing the governing body of a University to frame its own regulations subject to the sanction of the Government. The regulations do not come into operation until sanctioned by the Government, and that is, I think, a sufficient safeguard against any undesirable or improper regulation being framed. The reservation on the part of the Government of power to make additions or alterations in the regulations implies a want of confidence in the Senate for which there is no foundation. Government cannot possibly have better advice on University affairs than that emanating from the Senate constituted under the provisions of this Bill which are calculated to include in that body the men best fitted for the work. I, therefore, beg to support the amendment.'

The Hon'ble RAI SRI RAM BAHADUR said :—"I beg to support the amendment. Experience of the past has shown that the Senates of Universities have never framed any regulations which were against the wishes of Government. The Senates and Syndicates which will now come into existence will consist mostly of educational experts, and the Director of Public Instruction, head of the Educational Department, in each Province will be one of the permanent members of both. I do not see any necessity for any power of interference to be exercised by Government. The presence of the experts and officers of the Educational Department both on the Senate and the Syndicate will be sufficient to ensure the rules being framed properly. The Government should not appropriate the direct power to make alterations and additions when the rules come up before it for sanction."

The Hon'ble SIR DENZIL IBBETSON said :—"My Lord, I should like to say a word on two points. In the first place, the Hon'ble Mr. Morison has told us that in Select Committee he supported this provision of the law on the understanding that an assurance had been given that it should not be used to override the University. Well that, of course, represents with absolute accuracy the impression produced on the Hon'ble Member's mind ; but I can assure him that such an assurance was not given, either by the Hon'ble Mr. Raleigh or by myself ; and not only was it not given, but when it was suggested that such an assurance should be given, I at once pointed out that it would be quite impossible that such an assurance could be given ; because, although, as the Hon'ble Mr. Raleigh has already twice told the Council and as the Select Committee contemplate in their Report, this power is not intended to be used to override

the Senate on minor matters, or to attain uniformity on such matters, yet it is distinctly contemplated that in matters of important principle, as my Hon'ble Colleague explained just now, the power should be used if necessary, and that was most certainly pointed out distinctly by myself. The second point on which I should like to say a word is that referred to in the Hon'ble Dr. Mukhopadhyaya's argument that the power of veto which the Government possesses is sufficient, without any power to make additions to or alterations in the regulations. That power of veto is insufficient for this reason. Imagine that the Senate of any particular University sent up regulations in which one of these points of vital principle was concerned, on which Government felt so strongly that the line adopted in the regulations was wrong, that they were compelled to overrule the Senate and to decline to sanction the regulation on that point. If the Government power stopped there, the Senate would have only to sit still and do nothing, and the result would be that there would be no regulation at all upon that point. One of the most important points in the scheme of reorganisation is that the new Senate should start fair, with a complete and satisfactory body of regulations. And in order to secure this body of regulations, upon which so much depends, it is absolutely essential that Government should have the power, not only to disallow provisions upon points of vital importance, but also to fill the blanks which that disallowance may have caused."

The Council divided :—

Ayes 8.

The Hon'ble Dr. Asutosh Mukhopadhyaya.
 The Hon'ble Rai Bahadur Bipin Krishna Bose.
 The Hon'ble Dr. Ramkrishna Gopal Bhandarkar.
 The Hon'ble Mr. T. Morison.
 The Hon'ble Nawab Saiyid Muhammad.
 The Hon'ble Mr. Gopal Krishna Gokhale.
 His Highness the Agha Khan.
 The Hon'ble Rai Sri Ram Bahadur.

Noes 14.

The Hon'ble Mr. D. M. Hamilton,
 The Hon'ble Mr. J. B. Bilderbeck.
 The Hon'ble Mr. A. Pedler.
 The Hon'ble Mr. H. Adamson.
 The Hon'ble Mr. E. Cable.
 His Highness the Raja of Sirmur.
 The Hon'ble Mr. A. W. Cruickshank,
 The Hon'ble Sir Denzil Ibbetson,
 The Hon'ble Sir A. T. Arundel.
 The Hon'ble Major-General Sir E. R. Elles.
 The Hon'ble Sir E. F. G. Law.
 The Hon'ble Mr. T. Raleigh.
 His Excellency the Commander-in-Chief.
 His Honour the Lieutenant-Governor of Bengal.

To the motion was negatived.

[21ST MARCH, 1904.] [*Dr. Asutosh Mukhopadhyaya ; Mr. Raleigh ; Mr. Gokhale.*]

The Hon'ble DR. ASUTOSH MUKHOPADHYAYA moved that the following new clause be inserted after clause 28 and the present clause 29 be re-numbered 30:—

“ 29. In section 7, Act II of 1857, Act XXII of 1857, and Act XXVII of 1857, the following words shall be inserted before the word ‘ cancelled ’:—

‘ with the consent of not less than two-thirds of the members of the Senate, present at a meeting specially convened for the purpose. ’ ”

He said :—“ The Acts of Incorporation of the Universities of Calcutta, Bombay and Madras provide that the Chancellor may, at any moment, cancel the appointment of any Fellow. The Acts of Incorporation of the Universities of the Punjab and Allahabad provide that such cancellation may be made upon the recommendation of not less than two-thirds of the members of the Senate present at a meeting specially convened for the purpose. I venture to suggest that the Acts of Incorporation of the three older Universities may be brought into harmony with those of the two younger Universities, as I am unable to discover any good reason for a difference upon this particular matter. I may be permitted to state, as an additional reason, that as Fellowships will, in future, be tenable only for five years, no Ordinary Fellow ought to be liable to removal during this term, except for some very good reason and upon the recommendation of the Senate.”

The Hon'ble MR. RALEIGH said :—“ My Lord, there may in certain cases be an advantage in taking the opinion of the Senate when a Fellowship is cancelled ; in other cases it may be better to have no public discussion. The question is of no great practical importance. I can only find one case in which the power to cancel has been exercised. On the whole, I think the amendment is hardly necessary.”

The motion was put and negatived.

The Hon'ble MR. GOKHALE moved that in the first schedule, the words “ The Lord Bishop of Calcutta ”, “ The Bishop of Bombay ”, “ The Bishop of Madras ”, “ The Bishop of Lahore ”, and “ The Bishop of Lucknow ” be omitted. He said :—“ My Lord, taking the case of Bombay, I find that there are five *ex officio* Fellows included in the schedule, and they are the two Ordinary Members of the Governor's Council, the Chief Justice, the Director of Public Instruction and the Lord Bishop of Bombay. Of these, the Ordinary Members of the Governor's Council are there, because they with the Governor make up the Local Government, and as he is *ex officio* Chancellor they are *ex officio* Fellows, and I have no objection to that. Similarly, the Chief Justice, as

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the highest Judicial authority in the Province, may be regarded as the head of the Faculty of Law, though he may not be the nominal head. Also as the Director of Public Instruction is the highest educational officer of Government, one can understand why he is an *ex officio* Fellow. But the inclusion of the Lord Bishop's name in the list I do not understand. He is no doubt the head of the English Church, but that Church has nothing to do with our Universities. Had a new Faculty—the Faculty of Theology—been added to the existing Faculties, as was proposed by some, the Lord Bishop might have been regarded as the head of that Faculty. But in its absence and with the avowed policy of Government of religious neutrality in educational matters, I do not see why the Lord Bishop should be an *ex officio* Fellow. I therefore move the amendment standing in my name.”

The Hon'ble MR. RALEIGH said:—“My Lord, in proposing to retain the five Bishops as *ex officio* Fellows of the Universities we follow what has been the usage of the Universities, and we can give a good academic reason for doing so. The Anglican Bishop of an Indian diocese is almost always a distinguished Graduate of Oxford or Cambridge. Now it has often been pointed out that the Indian Universities conform to the Oxford and Cambridge type to this extent, that they are Universities in which the ordinary Arts teaching is in the hands of Colleges. Therefore, I think that the presence of gentlemen who are distinguished members of English Colleges is likely to be helpful to our Universities, and I cannot see that it would do any possible harm. I therefore should prefer to retain the words which the Hon'ble Member wishes to take out.”

The motion was put and negatived.

The Hon'ble MR. RALEIGH moved that the Bill to amend the law relating to the Universities of British India, as amended, be passed.

The Hon'ble DR. ASUTOSH MUKHOPADHYAYA said:—“My Lord, the motion now before the Council is in one sense of a formal character, but as it calls upon us to assent to a legislative measure which has hardly been equalled in importance by any other subject which in recent years has engaged the attention of this Council, affecting, as it does, the educational prospects of the people of this vast Empire, I cannot persuade myself to record a silent vote. It is impossible on the present occasion to trace the origin and growth of the University system in British India, but I may point out that when in the famous Despatch of 1854 Sir Charles Wood laid the foundation of the existing system of public education in India, a memorable advance was made over

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anything that had preceded before. The Court of Directors, with genuine statesmanlike foresight, recognised that England's prime function in India was to superintend the tranquil elevation of the whole moral and intellectual standards and directed the establishment of a graduated series of schools and Colleges crowned in each Presidency by a University. The Acts of the Legislature creating the Universities were passed in the year of the great Mutiny and will ever remain as striking monuments of the coolness, the persistent energy and the generous impulses of the British race. But it would be idle to deny that time—that great relentless critic—has discovered defects in the constitution and the working of the Universities. I desire to dissociate myself completely from those who maintain that our Universities are ideal institutions and do not stand in need of any reform. My Lord, for some weeks past I have been assiduously studying the proceedings and the Reports of of the Oxford University Commission of 1850 and the Cambridge University Commission of the same year. The evidence and the reports furnish extremely instructive reading and prove conclusively how these ancient seats of learning and the Colleges composing the Universities had, towards the middle of the last century, completely got out of order and that drastic reforms had to be introduced in the best interests of the discipline and the studies of the Universities. I have referred to this matter to shew that there is no reason why Indian Universities should be left alone if they are capable of improvement. But I cannot agree with those unfriendly critics who maintain that the Universities have failed in the objects which they had in view, namely, in the words of the great Despatch of 1854, 'the diffusion of the improvements, science, philosophy and literature of Europe, in short of European knowledge,' and I cannot but point out that, in some quarters at least, the Universities are disliked and cried down, because there is really a dislike of the culture which educated Indians have attained. But if the Universities are not at the present day all that they might and ought to be, the question remains, are the provisions of the present Bill calculated to meet the requirements of the situation? In order to answer this question it is necessary to review for a moment the provisions of the Bill, which, broadly speaking, fall into three divisions; one dealing with the relation between the University and the affiliated Colleges, the next dealing with the constitution of the University, and the third dealing with the functions of the University. As to the first of these problems, if the Universities are to be anything better than mere examining machines, the Universities must exercise an effective power of control over affiliated Colleges and should exercise some degree of supervision over them. I concede that it is not desirable that there should be any undue interference with the internal management of the Colleges or any interference with the

administration of their finances so long as proper efficiency is maintained ; but it does not follow by any means that it is desirable for the Universities to have no control over affiliated Colleges. I welcome the provisions of the Bill defining the requirements of an affiliated College, and I have no doubt that if these provisions are reasonably, judiciously and sympathetically enforced, they will tend to elevate the standard and character of our Colleges and thus necessarily to improve the character of the education imparted to our young men. I will not examine in detail these provisions, but I wish to lay particular stress upon those which require that every College must have a regularly constituted governing body, that the teaching staff are duly qualified and that suitable provision is made by the College authorities for the residence of such of the students as do not reside with their parents or guardians. But I attach even greater importance to the clause which points out the desirability of the Head of the College and some members of the teaching staff residing near the place provided for the residence of the students. My Lord, when this last provision is fully carried out, as I hope it may be carried out in the course of years to come, I trust excellent results will follow and a healthier relation will be established between the pupil and the teacher. The system now prevalent, under which there is a feeling of distance between the Professor and his pupil, is good for neither party, and I can conceive nothing more injurious to the interests of education than this feeling of estrangement between the pupil, who probably lives in the native part of the town, and his Professor who takes pride in not knowing the names of half the pupils he teaches and is comfortably lodged in Chowringhee. If our Colleges are ever to be organised as corporate bodies, this is the first step which has to be taken, and the Bill rightly insists upon it. There is one other point to which I should like to make pointed reference ; the Bill provides that where affiliation is sought in any branch of experimental science, arrangements will have to be made in conformity with the regulations for imparting instruction in that branch of science in a properly equipped laboratory or a museum. I trust, My Lord, that this provision, when carried out in practice, will remove what has been a standing scandal, not merely in some private Colleges, but also in some Colleges owned and managed by the Government.

“ My Lord, I stated just now that the provisions of the Bill which define the requirements of the affiliated Colleges and which entitle the University authorities, by enquiry and inspection, to ascertain whether these requirements are complied with, must be reasonably, cautiously and sympathetically enforced. My Lord, this is a qualification of the utmost importance, and I desire to lay special stress upon it. The provisions of the Bill are necessarily vague and a great deal will depend upon the mode in which they are enforced. And this brings me

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to the second division of the Bill which deals with the constitution of the University and which thus acquires a character of paramount importance. If the administration of the University happens to be placed in the hands of people who have no real sympathy with the cause of high education—who cannot or will not understand the difficulties of struggling Colleges and their students and who are anxious to play the role of reformers—the provisions of the Bill to which I have just referred at length may in their hands prove a dangerous weapon, and the cause of high education will be in such a contingency undoubtedly imperilled and probably ruined. My Lord, I wish I could conscientiously say that the constitutional provisions of the Bill are satisfactory and are furnished with the necessary safeguards. Every effort that we have made for securing a statutory recognition of the non-official and of the Indian element on the Senate has been strenuously opposed on behalf of the Government and has consequently failed. I am not one of those who contend that high education must be left entirely to the control of the people. On the other hand, I willingly concede that high education is one of the paramount duties of the State, and that it must be nurtured and developed under the fostering care of a beneficent Government. But I deny most emphatically that it is necessary or desirable to have any provisions in the law which may possibly convert the Universities into mere departments of the State; it is quite possible to stunt the growth of a beautiful tree by constant pruning and too affectionate care. I acknowledge with feelings of the sincerest gratitude that the Bill recognises, though to a limited extent, the principle of election, and I hope that at no distant date Government may find it possible to accord it a wider recognition, by throwing open to election a larger number of Fellowships and conferring the franchise upon Professors in our affiliated Colleges. But, my Lord, what has caused me the utmost disappointment is the refusal of the Government to define the character of the Senate and to prescribe any statutory rules for the guidance of successive Chancellors; when I add to this the provisions of the Bill, which make Fellowships terminable after five years, which secure for teachers a position of advantage on the Syndicate by means of artificial rules, which make affiliation and disaffiliation direct acts of the Government, and which make it possible, in theory at any rate, for the Government to impose any regulations even on the re-constituted Universities—when I take these together I feel bound to express my deepest regret that what might otherwise have been a beneficent measure should be disfigured by blemishes of a startling character.

“My Lord, as to one of these particular points of difference I was told that the five years rule was in perfect harmony with the principle which obtains

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in this country in regard to some of the highest appointments under the State. I was assured, my Lord, that the five years rule works admirably where it prevails. But those who gave me the assurance must have forgotten for the moment a celebrated minute by the late Marquis of Salisbury, dated the 26th of April, 1875, in which the five years rule is condemned in unqualified terms, and it is pointed out that the actions of the Indian Government formed a long series of inconsistencies, that it had been found impossible to give permanent force to a new policy and all this was attributed to the fact that 'the Indian Government is'—my Lord, I will quote the language of the great statesman—'the Indian Government is by the law of its existence a Government of incessant changes, it is the despotism of a line of Kings whose reigns are limited by climatic causes to five years.' My Lord, I have quoted the language of one of the greatest British statesmen of the nineteenth century, and I hope I may be pardoned if I tenaciously adhere to error in such company.

"My Lord, while upon this question of the constitutional provisions of the Bill, may I be permitted to refer for a moment to a matter of great importance upon which particular stress has been laid by some of my Hon'ble Colleagues, but most pointedly of all by my Hon'ble friend Mr. Alexander Pedler. My Lord, it has been broadly stated by the Hon'ble Member in charge that the constitutional provisions of the Bill have been so framed as to render it possible for the Government to restore, what has been felicitously called, balance of power and interest from time to time. It has further been pointed out that if University education of the Western type is to prosper in this country, the European element must be strongly represented on our Senates. I am not aware that anybody has ever suggested any doubt as to the necessity of an adequate representation of the best qualified exponents of Western culture in our academic deliberations. But the Hon'ble Mr. Pedler complained with some bitterness that whereas in 1880 the European element had a substantial majority on the Senate of the Calcutta University, in 1902 the position had been reversed and the Indian element enjoyed a substantial majority; and he did not hesitate to attribute this result to an inherent defect in the constitutional provisions of our Act of Incorporation. My Lord, my Hon'ble Colleague supported his position by an imposing array of figures which I cannot but consider as somewhat unfortunate, as curiously enough they forcibly illustrate the saying that statistics are good servants, but they are not good masters. My Lord, my Hon'ble friend must have forgotten—that is the only assumption which I can make—that between the years to which he referred—1880 and 1902—a great change had come over the Department over which he so worthily presides. Whereas in 1880 there were plenty of qualified Europeans employed as Professors in the various Government Colleges in Bengal who

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formed useful members of our Senate, in 1902 the number of European Professors had been considerably diminished. My Lord, it was with reference to this very particular matter that I asked a question in the local Legislative Council on the 14th August last, in answer to which I was told that the policy of placing certain of the Government Colleges entirely under Indian Professors had emanated from a recommendation of the Public Service Commission in 1886-87, that pursuant to this policy the Colleges at Hooghly, Krishnagar, Rajshahi, Cuttack and Chittagong and the Calcutta Sanskrit College were manned almost entirely by Indian Professors. I was further assured that according to present arrangements the College at Dacca, of the new buildings of which Your Excellency laid the foundations the other day, was also to be entirely manned by Indian Professors. It was further added that out of twenty-two Professors attached to the Presidency College, which is supposed to be the model College in Bengal, capable of teaching up to the highest European standards, fifteen were Indians and seven Europeans, of whom four were absent on deputation, making the actual number of Indian Professors nineteen and the actual number of European Professors three. In answer, my Lord, to another inconvenient question, which I asked in the same Council on the 8th August last, I was informed that out of nine Government Colleges in Bengal, in as many as eight Colleges not one single European was employed by the Government to teach the English language and literature in the F. A., B. A., and M. A. classes, and that in the remaining College there was one solitary European Professor to teach English to my countrymen,—and, my Lord, would Your Excellency be surprised to hear that the Presidency College was included in the list of the eight Colleges. My Lord, I claim to have proved to the hilt that, under the auspices of the Government of Bengal, Western education is imparted to my countrymen in Government Colleges mainly through Indian agency, and that for the last eighteen years the English agency employed in the Educational Service has been steadily and systematically reduced. My Lord, I am not patriotic enough to be able to appreciate the wisdom of this policy, and I will add this much, that here is the true explanation why the European element has been steadily reduced on the Senate. If there was a large number of distinguished Europeans employed in the Education Department, as used to be the case a quarter of a century ago, they would undoubtedly have been placed on the Senate by the Government which had at its disposal an unlimited number of Fellowships. My Lord, I trust I shall be forgiven if I say that to employ Indians as the main agency for imparting Western education to Indians, and then to complain that these Indians have a dominant influence in the administration of their University, is neither logic nor good sense.

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“My Lord, it may be asked why absolute reliance should not be placed upon the capacity of the Government to administer the Universities in a perfectly satisfactory manner. Before I answer this question may I be permitted to point out that education can never be forced upon a people, and that if you wish to educate a race you must carry the nation with you. So far at any rate as high education in India is concerned, the policy of the State in recent years has not been quite of the character one would wish. The policy of the Government has been that for all kinds of advanced education, private effort should be increasingly and mainly relied on. I am not one of those who watch with indifference the small progress made in primary education; but while I willingly recognise that it is the duty of the State to permeate and elevate the vast amorphous unlettered substratum of the population, I am wholly unable to understand why the Government should abdicate its power and neglect its duties in respect of higher and collegiate education. If, however, we examine the history of high education for the last quarter of a century, we shall feel convinced that the condition of things is far from satisfactory. My Lord, the truth of the matter is that we have reached the ebb tide of high education, not because the Senates are inefficient but because the Government has starved its Colleges and has persistently weakened its Education Department. I cheerfully acknowledge that recently our Education Department has been strengthened by the accession of one or two really good men, to whose advice and co-operation we look forward with great expectations. But this Bill will be of little practical use unless the Government reverses its policy, substantially raises the efficiency of its Colleges, and materially strengthens its Education Department by the employment to a much larger extent of really first class men, first class not from the local or the Indian, but from the European, the Western, point of view. I sincerely hope this fundamental question may, under Your Excellency's enlightened guidance, receive the consideration of the present sympathetic Ruler of my province—the first Rector of my University; and I earnestly desire that His Honour's administration may mark an important era in the true progress of high education in Bengal. My Lord, there was a time, not very many years ago, when the Government maintained well-equipped Colleges under the management of Professors who would be an honour to any University. I am not asking Your Excellency to give us illustrious educators of the type of Arnold and Jowett, Kelvin and Ramsay; such personalities are rare even in England and cannot be imported or transplanted. If, however, Government will give us Professors of the type of Professor Cowell, Professor Tawney, Professor Gough, Professor Clarke, and Sir John Eliot—I name only a few of those who are no

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longer amongst us—we should have nothing to complain; each of them was a tower of strength to my University and commanded universal respect and admiration. But, my Lord, we have fallen upon evil times, when safe mediocrity is the order of the day. We are quite familiar with gentlemen who obtain second class or even third class honours at Oxford or at some other English University and are fortunate enough to secure appointments as Professors in Government Colleges in this country. If upon their arrival they pose as eminent educational experts and shew no unmistakeable contempt for their Indian fellow-subjects, who, with all their shortcomings, may have devoted years of patient toil to the examination and solution of difficult educational problems, are the latter to be blamed if they show their impatience of these self-constituted educational experts. My Lord, the real danger in connection with this Bill is that, in spite of the best intentions and purest motive of the Government, the actual administration of its provisions may fall into the hands of fifth rate and unsympathetic teachers, of whom recent events have shown there are not a few in this country, who are uncharitable enough to imagine that the interest in the University which the best amongst the Indians feel is an interest otherwise than educational. My Lord, I yield to none in my appreciation of the words of the poet—

‘ And not by eastern windows only
When daylight comes, comes in the light
In front the Sun climbs slow, how slowly,
But westward look, the land is bright.’

“ But what I demur to is that every obscure young man who manages to get a degree at Oxford and secures an employment in the Education Service here, should be regarded as an Apostle of western learning.

“ My Lord, an examination of the proceedings of my University for many years past will prove conclusively that schemes of reform of the most vital character which originated with Indian members were strenuously opposed and defeated at the instance of officials and of teachers who thought they might be affected by the measures. My Lord, I have no desire to revive controversies which have been now forgotten, but I shall never forget how in 1891, when the first Indian Vice-Chancellor of my University made a strenuous effort to enforce the cause of discipline, the attempt was thwarted by the combined effort of some of the highest European officials whose action was supported even by the Government of India. I will never forget how during the administration of the same Indian Vice-Chancellor, at the instance of a member of the much-

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abused and much-dreaded profession to which I have the honour to belong, a regulation was passed which would have limited the number of boys in schools and made efficient teaching possible ; my Lord, this very regulation, before it could be carried into effect, was repealed during the administration of one of his successors—an eminent European educationist—by the combined effort of teachers and College proprietors whose profits would have been seriously affected by the operation of the rule. My Lord, I will never forget that it was by the persistent efforts of European Doctors and official members of the Senate that the preliminary qualification for the highly prized degree of Doctor in Medicine was lowered in spite of the protest of the Indian and the non-official members. My Lord, I will never forget that it was an eminent European educationist—I am sorry to say a Director of Public Instruction—who made a desperate effort to abolish the study of classical languages in my University, and the situation was saved only by the persistent effort of the Indian members and by the casting vote of an eminent lawyer who now occupies a seat on the Judicial Committee of His Majesty's Privy Council. Lastly, my Lord, though I shall gratefully remember that the best among the European teachers have materially helped to elevate the standard of University education, I can never afford to forget that, on more than one memorable occasion, necessary reforms in this direction have been retarded by the persistent opposition of inferior teachers who are unable or unwilling to keep pace with the progress of the times, and feel it a pang to part company with the favourite outworn text-books of their youth. If non-academic Indians go wrong, one may excuse them ; but what are we to say when European Professors who claim to be bearers of the sacred light from the Western Isle, from the banks of the Isis and the Cam, are also found to go astray ?

“ My Lord, I have only one word to add as to the third division of the Bill which deals with the extended scope of the Universities. I hope I may be permitted to point out that a reconstitution of the entire Education Department, at least in the higher branches of the service, is rendered imperatively necessary if practical effect is to be given to the provisions of the Bill which enlarge the scope of the Universities and make it their duty to promote advanced study and research. This is undoubtedly the portion of the Bill which has been welcomed by every friend of education, but it must remain a dead letter unless funds and men are forthcoming. I had ventured to make what still seems to me to be an extremely moderate and reasonable suggestion for raising funds by means of contributions from members of the Senate, which has shared the common fate of all our amendments. My Lord, is it too much to expect that the Government will,

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in the beginning at least, generously and liberally come forward and help the Universities in this matter? We require teachers whose duty it will be not to impart elementary instruction for the purposes of the University examinations—which, after all, is only a secondary part in the work of a true University—but whose function it will be to extend the bounds of knowledge and to guide their students in their attempt to search out the secrets of nature. Of such investigators who are capable of doing original work themselves, and who are willing to encourage others in the path of original investigation, we have had, unfortunately, very few in the past. I trust, my Lord, when the Universities are reconstituted, they may, by the generous help of the Government, be provided with such teachers and investigators. It certainly seems to me anomalous that it should be possible to secure for the Meteorological Department of the Government of India an eminent mathematician who has distinguished himself by his brilliant researches in the domain of physics, while the Universities and the Colleges are left to be manned, with a few solitary exceptions, by comparatively inferior men.

“My Lord, I trust I may be pardoned if I derive my conception of a University from the characteristics as they have been recently described by one of the foremost mathematicians of the age:—‘To my mind, a University is a corporation of teachers and students banded together for the pursuit of learning and the increase of knowledge, duly housed and fitly endowed, to meet the demands raised in the achievements of its purposes. In the prosecution of its academic aims, the University should be free from all external censorship of doctrine; it should also be free from all external control over the range, or the modes, or the subjects of teaching. Above all, thought should be free from fetters of official type: whether political from the State, or ecclesiastical from the churches, or civil from the community, or pedantic from the corporate repressive action of the University itself. In its establishment, the amplest powers that wisdom can suggest should be conferred upon it. In working out its intellectual salvation, the exercise of those powers should be vested in select bodies of fit persons, sufficiently small in number to be efficient, yet large enough in number to prevent degeneration into an intellectual clique, changing sufficiently from time to time to prevent the dominance of merely personal policies, and representative enough to be in touch alike with the experience of the past and with aspirations for the future, so far as these have taken shape or acquired definition.’ My Lord, with this conception of an ideal University before my mind I find it impossible to accord to all the provisions of the Bill my unhesitating and unqualified approval. My Lord, I yield to none in my desire to see a Statute for the reform of the Indian Universities as free from objection as possible, and I

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have striven to attain that object according to the best of my lights; but, to my infinite regret, my endeavours have not been wholly successful. My Lord, we are about to make a great experiment, and let me hope that my fears and misgivings will prove unfounded. If the provisions of the Bill help in any measure to secure the realisation of Universities of the type so eloquently described by Professor Forsyth, the promoters of the measure will rightly have earned the lasting gratitude of the future generations of Indian students; if, on the other hand, these provisions in any way injure and retard, as they well may, the cause of high education, the obloquy and reproach of the measure must necessarily attach to the same individuals."

The Hon'ble RAI BAHADUR BIPIN KRISHNA BOSE said :—"My Lord, if I intervene in this debate, it is merely with a view to explain in the fewest words possible the vote I am going to give. The object of the Bill may be said to be (1) to introduce such reforms in our Universities as would render them more efficient agencies for the promotion of collegiate education, and (2) to secure to the Government adequate control over higher education in this country. I believe that the attainment of these objects would not have been rendered less effective if concessions had been made in the direction indicated in some of the amendments moved during the course of this debate, notably as regards the representation of the popular element in the Senate and the term of office of the members of the Senate. Nevertheless, there is much in the Bill with which I am in sympathy, and such being the case, I do not think I shall be acting rightly if I vote against the motion before the Council. I shall therefore support it."

The Hon'ble MR. BILDERBECK said :—"My Lord, I believe that this Bill possesses immense potentialities for good, and that when the bitterness and angry feelings that have been stirred up by its introduction have subsided, it will be acknowledged by the Indian community to have been introduced in their own interests. I base my belief on my knowledge of the opinions held by some of the brightest and most thoughtful among the younger generation of students in Madras, and I must add that if these opinions diffuse themselves generally among their contemporaries, we have some augury of the ultimate success of the measure, for it is axiomatic that the provisions of the Bill can have their complete fruition only if the educated classes unite with the Administration in sympathetic and loyal efforts to raise the standards of higher education.

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"I propose to deal very briefly with four of the most important reforms embodied in the Bill.

"One of its most important potentialities resides in the sections which invest the Universities with power to provide for the appointment of University Professors, and the erection and equipment of laboratories, etc. My Lord, I crave your kind permission to speak with some freedom on this aspect of the Bill. My service as an educational officer will in all human probability ere long terminate, and I therefore wish to take advantage of an opportunity which may never recur to make an earnest appeal to Government to step forward boldly and help the Universities or some of them with such a degree of liberality that a start may soon be made in the real work of University teaching. If only effect can be given to these provisions of the Bill, influences will soon be operative which will react beneficially on the ideals and educational methods of our University system. It is true that the 'organisation of brain power'—as an eminent man of Science has recently described it—is costly in the extreme—costly, that is to say, if we look at only one side of the account, but far from costly if we look at the enormous gains accruing to the country in the evolution of spiritual forces, in the intensification of intellectual activities and in the growth of material prosperity. These are mere platitudes to those acquainted with the facts, but the truths involved have not been fully realized by the public. It is self-evident that as no aid of any value can be expected for decades to come from benefactors amongst the Indian community, the State, and the State alone, can provide what is necessary. Three lakhs a year to one University would not be excessive, but if this be beyond the means of Government, perhaps some compromise could be effected if Government could see its way to handing over to the University the buildings and the salaries attached to the establishment of one of its own Colleges, and to economising its grants elsewhere, for concentration of effort, of material, and of means is essential to the solution of the problem.

"Perhaps the most important provision of the Bill as containing the *fons et origo* from which issue the powers of guidance and control required to give effect to the potentialities in the other parts of the Bill, is to be found in the sections dealing with the reconstructed machinery of administration. The measure was absolutely necessary, although it may be true that the older Senates in some cases have acquitted themselves well and have little or nothing to be ashamed of. I think it is a fair description of the facts to say that the supersession of the older Senates, while it involves a condemnation of the machinery, does not necessarily carry with it a condemnation of the work executed by the machinery,

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though this is perhaps a somewhat academic distinction which carries with it little of the virtue of consolation. Universities, like individuals, must rise on stepping stones of their dead selves to higher things, and in the light of that fuller knowledge that comes to those who observe and reason from the results of experience, it has been for some time clear that, so far as human foresight can judge, University work will be more vigorously and efficiently administered by a small and compact body of carefully selected men. My Lord, I am of opinion that the Senates of the future will become a power in the land and make their influence felt not only in the University, but in the general administration of the country.

“I would, at this point, take the opportunity of expressing my gratitude to Government for the concession made to members of the teaching profession in section 6 of the Bill. If a University does not mean a collection of teachers who know their business, I do not know what the terms signifies, and the statutory recognition of the necessity for the representation of teachers on the Senates of the future is in my opinion one of the most valuable provisions in the Bill. My Lord, a further remark on this subject. Having for some years been President of the Teachers Guild in Madras, I think I can take upon myself the responsibility of saying that the concession will be hailed with pleasure by teachers of all grades, as being, I believe, the first statutory recognition in British India of the existence and of the essential importance of the profession.

“The third important provision of the Bill deals with the conditions of affiliation, more especially those which in some degree place affiliated Colleges under the control of the University. If I were asked to state to what cause more than another I would ascribe the failures and defects of our University system, I would say it was the absence of an effective general and systematic control over the machinery of collegiate education, in which term I include equipment, staff and methods of teaching. I shall endeavour to explain my meaning.

“When we remember that our imported University system has not yet grown into the life of the people and called into existence a cultivated public opinion; when we remember that the so-called University is a name without a habitation for a *genius loci*, and that, therefore, it cannot provide those localised standards which we expect to find in centres of intellectual activity, we must admit that University life in this country is without its natural nourishment and the progress of learning is deprived of some of the most powerful stimuli to sustained effort on the higher planes of work. When, too, we remember that our University is really a collection of institutions dropped about in different parts of the country, hardly capable of influencing one another except for evil by the process

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of under-selling, and connected with the University by an affiliation which in most cases means nothing more than the permission to prepare and send up candidates for its examinations, can it be a matter for wonder that, except in the case of a few institutions which have the good fortune to be administered by men with high standards of duty and the necessary firmness and energy to act up to these standards, the only test of intellectual attainments and educational competency comes to be, for the student, ability to pass examinations and, for the teacher, ability to get his students through these examinations? Conditions of this kind have evoked false ideals and false methods of teaching and have encouraged the establishment of an excessive number of ill-equipped Colleges.

"In the conditions of the country there have been only two agencies which could successfully have combated these evils—one the University itself, the other the Government through its Department of Education. These agencies, either separately or in combination, could and should have brought the necessary pressure to bear on the improvement of the efficiency of the affiliated Colleges; but owing, perhaps, to the existence of a divided responsibility, unfortunately neither agency has exercised an adequately effective control. The Bill now remedies this evil by giving large powers of direct control over affiliated institutions to the Universities, while Government is relieved of a considerable portion of its duties in the supervision of Colleges, those in receipt of grants being excepted. However, as no Government can repudiate the greatest responsibility that falls to its lot—the necessity of fostering the interests of a national education in the highest as well as in the lowest branches—the Government of India for this general reason, as well as for other special reasons, necessarily reserves to itself some powers of interference and control in the affairs of the University. In the recognition of these principles of administration we must find the explanation and justification of the much abused and much opposed provisions in the Bill which leave to Government a final decision in all questions of affiliation and disaffiliation.

"The fourth and the last provision to which I wish to refer relates to the conduct of students and the maintenance of discipline. It is important that Universities should recognize that it is incumbent upon them to concern themselves with the manners, the behaviour and moral tone of their undergraduates, and the Bill provides that this duty shall not be overlooked. In performing this duty patience and care will be necessary, in view of the fact that the University must work through the affiliated Colleges and of the necessity of taking into account the special difficulties that the disciplinarian in India has to

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contend with in the active or passive resistance of parents and of his Indian assistants who, owing to a kindness of nature, are not always able to see that blessings often disguise themselves in the form of severity.

“I am glad to see that in the provisions of this Bill Government has not allowed itself to press unduly the necessity for hostels. It must be remembered that in India the hostel system is on its trial, and that in some parts of the country it may have to go through a period of storm and stress before its final adaptation to Indian conditions. In the Madras Presidency there are still many unsolved problems of hostel administration—not the least important being the somewhat sordid question of making them pay their way. I think, my Lord, it would be well if those that are concerned in the administration of the new Act were to remember that it took nearly 150 years of University life in Cambridge before the residential system, which is such a characteristic feature in the University system of that and its sister University, was generally and definitively adopted.

“My Lord, holding as I do the views that I have expressed as to the importance of the provisions of the Bill, I cannot understand the language of those who describe the measure before the Council as a retrograde step and one that can do nothing for the Universities of India. May I be permitted to congratulate Your Lordship’s Government on the near prospect of a successful termination of its labours in connection with this Bill.”

The Hon’ble DR. BHANDARKAR said :—“My Lord, when the Bill before us was published, I hailed it as a measure calculated to remove the many evils that had crept gradually into the system of the Bombay University and to place higher education on a sound basis. Knowing the whole previous history of that University and being its oldest Graduate and closely connected with it, I regretted these evils more than perhaps anybody else. But since that time I have seen that those of my countrymen who take the lead in the discussion of public affairs or make their voices heard have condemned it; and even without waiting to hear what I have to say, they have both here and on the Bombay side begun, I am told, to chastise me severely for my not having followed my two Hon’ble Hindu colleagues and written a minute of dissent on the Report of the Select Committee. This staggers me, I confess, my Lord, and I find myself now in the predicament of the poor Brahman in an old Sanskrit story. Intending to perform a sacrifice he went to a rich man in an adjoining town and got from him a holy sacrificial animal. A goat is such an animal, while a dog is a very unclean animal, which no holy man should

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even touch. The Brahman placed the goat on his shoulders and set out for his village. Three men saw him taking away the fat animal and resolved to have recourse to a device to make him give it up in order that they might themselves make a feast of it. They, therefore, put on different dresses and took their stand at different points on the route followed by the Brahman. The first going up to the Brahman said, 'O Brahman, why dost thou carry this unclean beast, this dog, on thy shoulders?' 'Nonsense!' says the Brahman: 'art thou blind, dost thou not see that this is a holy sacrificial animal and not an unclean dog?' 'Holy Brahman, do not be angry, go thy way,' says the other. After he had gone some distance the second man accosted the Brahman and said, 'O Brahman, even if thou lovest this dog, it is not proper that thou shouldst carry it on thy shoulders.' 'Art thou blind, dost thou not see that it is a holy sacrificial animal and not an unclean dog?' says the Brahman. 'Holy man, be not angry, do what pleases thee,' says the other. When he had gone further the third met him and said, 'It is certainly an unbecoming deed for a Brahman to carry a dog on his shoulders: therefore throw it down before anybody sees thee.' The poor Brahman was confused and thinking that it was a veritable dog that he carried, when so many had said it was, threw down the goat in haste and ran away to his village. Shall I similarly throw away this University Bill, because so many have said it is a bad measure? But I must not be a simpleton like the Brahman and believe that 'three' means 'all' or act against my clearest convictions even though they may be opposed to what *all* people say. My speaking and criticizing countrymen are not *all* my countrymen; and I have met a good many persons here who disapprove of the constitution of the present Senate and are in sympathy with the projected reform, and there are many in Western India who are dissatisfied with the existing state of things, though they occupy an humble position and have not spoken. And why should the views of my countrymen, most of them non-educationists, be alone consulted and not those of European educationists on our side of the country, who are more likely to be in the right? They certainly are not opposed or even believed to be opposed to the diffusion of higher education, and between them and ourselves there is not an unfriendly feeling. I am much grieved to find, however, that the adherence of these gentlemen, among whom we have such a man of dignified feeling as the Principal of the Deccan College, to the main provisions of the Bill has been most unjustifiably ascribed to the prospect of power which it holds out to them. They might, if they cared, easily retort by saying that the non-educationists are moving heaven and earth to get this Bill thrown out because it threatens to deprive them of the power and patronage they have been enjoying so long. And

my clearest convictions 'as regards the constituents of sound education were formed early in life. In 1855, when the new Department of Public Instruction was organized in virtue of the despatch of 1854, the Government of Bombay directed that the Elphinstone College, which had been in existence for about eighteen years before, should be examined by outside examiners instead of by Professors as had been usually the case, in order to ascertain from independent evidence its efficiency as an institution for higher education. Mr. E. I. Howard, one of the Examiners, subjected me, who was then a student of the College, along with my fellow-students to a severe test. Instead of raising an outcry against the unfairness of the test, I took it as indicating Mr. Howard's opinion as to what an educated man should know and what his capacities should be. This together with the manner in which he proceeded to re-organize that College as Director of Public Instruction, to which office he was appointed by Lord Elphinstone a short time after, instilled into my mind those ideas about education which I retain to this day. These ideas I endeavoured to carry out as Head Master of High Schools, Sanskrit Professor in the Elphinstone and Deccan Colleges, a University Syndic for eight years, and Chairman of the Syndicate for two years. If, therefore, I should now, for fear of displeasing those of my countrymen who speak and criticize and whom they represent, set my back against my whole previous career, I should stand self-condemned. I must, therefore, speak out boldly and fearlessly.

" And, first, I must not entirely pass over in silence the attitude of suspicion in which the speakers against the Bill have placed themselves. The Government, it is suspected, aim a blow at higher education; the educated native, it is said, is a menace to Government, and its policy is to put him down by all means. And what are the grounds? The only ones I had heard stated are that no native was invited for the Simla Conference and one was put on the University Commission at the last moment. These facts do not, I think, in any way justify the inference. The educationists on our side that were invited were Mr. Justice Candy, Mr. Giles, and Mr. Selby. Their presence at the Conference ought to have assured us that no harm was intended. And certain recent acts of the Viceroy, the Government of India, and the Local Governments ought to inspire confidence in us. The Imperial Library, which at present is the British Museum in miniature, but is destined at some future time under the fostering care of Government to be not an unworthy rival of that noble Institution, bears testimony to the anxiety of its founder to promote higher education. Everybody is allowed free access to it, and a man who really wishes to advance his

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knowledge of a subject and make it his own, so as to constitute himself an authority on it, has the means of doing so placed at his hands. Measures have been taken to preserve carefully the ancient monuments of the country by legislation as well as administrative acts so as to render them available for close study to natives as well as foreigners. In the Victoria Memorial Hall all the historical relics of India from the most remote times to the present are to be brought together and will serve the same purpose. The Government of India have recently contributed six lakhs in Bombay and ten lakhs here for the purpose of primary education, and have promised five lakhs a year for five years to the Universities. The Local Governments both here and in Bombay have been making liberal grants for the promotion of College education. If, in spite of all this, we go on suspecting the motives of Government in introducing this Bill, we shall be doing no good to ourselves or to anybody else.

“Again, I must deprecate the turn that has been given to this question in some quarters as if it involved a conflict of interest between Natives and Europeans. The Universities exist practically for the Natives of India ; so that the interests involved are those of Indians only. The only question is who will best promote those interests ; and these must be allowed preponderance in the Universities, be they Europeans or Indians. But I think we must not forget that the object of the Universities is to give education in European literature and science, to instil European ideas in our minds, and acquaint us with European methods of inquiry. This can best be done by Europeans—I mean of course by competent Europeans—who, in addition to the education which their home and their society gives them, have gone through a course of regular mental and moral culture in the atmosphere of their Universities and have realized the true academic spirit. I do not think we have yet learned all that we have to learn from Europeans and arrived at that condition in which we may give them only a subordinate position in our Universities and Colleges, much less dispense with them altogether. On the other hand, it is very much to be desired that Europeans should always realize the dignity of their position as the apostles of a higher and progressive civilization, who have come out to rouse the mind and conscience of India. What Lord Reay said in his address to our University in 1889, should always be borne in mind. ‘I am not aware,’ said he, ‘that for a British subject there is a more honourable profession than that of holding an appointment in the Department of Higher Education in India.’ I have no doubt he who realizes all this will entertain nothing but the most friendly feelings for those among whom he has been sent out to work ; and I am glad to say that on our side

of the country the relations between the European educationists and ourselves are friendly. In the observations I am going to make I will speak of men with the true educational instinct, as I may call it, and men without it, and not of Natives and Europeans, especially as neither of those two classes is composed exclusively of Natives or of Europeans.

“Now the ideas about education which I have said I endeavoured to carry out during my educational career are chiefly these. A student should be taught not to be satisfied until he has clear ideas of what he reads or what is brought to his notice, to reason cogently, whenever more views than one of the nature of a thing present themselves to him, to critically examine them and determine which is correct, and to observe facts closely before forming any theory which will connect them together. This is what may be called mental culture or the training of the mind. And this requires that the standard of instruction and examination should be pretty high. This training of the mind ‘must’, in the words of the new Chancellor of our University, ‘go hand in hand with discipline and the moulding of the individual character’. In order that these ends may be steadily kept in view, the Senates of our Universities should be composed of Fellows who are University or College teachers and who should have a preponderating voice in the management, persons of distinguished attainments qualified to take part in University business, representatives of the learned professions or professional gentlemen of high standing, European and Native, who have had a University education, and members of the Indian Civil Service educated in the Universities of the United Kingdom and possessing high academic qualifications. This list differs but slightly from that given in the Report of the Universities Commission. Nominations and even elections to University Fellowships have hitherto been made with a view to confer an honour on the particular individuals; and hence our Senates are, as they are, not in a condition to appreciate those two ends of education duly and keep them always in view. It is for this reason that I advocate the change of constitution contemplated by the Bill before us. And that the Senate of the Bombay University has not kept those ends in view will appear plainly to one who examines its history during the last eighteen years. Before that period the composition of our Senate was similar to what it is now; but shape was given to our University in the beginning by men like Sir Joseph Arnould, Mr. E. I. Howard, and Sir Alexander Grant. In an address to the Chancellor, Sir Bartle Frere, Sir Alexander, who was our Vice-Chancellor, spoke in 1867 of the ‘policy of strict and severe examinations’ followed by our Senate in those days and of its being ‘of more importance to create a high standard of scholarship in this country, than to multiply ever so much the num-.

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ber of persons possessing nominal distinctions at the hands of a University.' Sir Alexander's was a towering personality and nobody dared to measure strength with him. Consequently mere honorary Fellows who did not understand or take interest in University matters did not attend the meetings of the Senate or were not appointed members of the Syndicate, and the field was left open to Sir Alexander to carry out his own ideas. And the principles and practices that then came to be recognized, were handed down without much change till about the year 1883. In the latter years of Sir Raymond West's Vice-Chancellorship, the honorary members, as I have called them as distinguished from those qualified to take part in University business, began to realize their strength and the meetings of the Senate to be largely attended; and in course of time the debates lost their academic and dignified character and the Senate became a popular assembly. What the tendencies of the Senate in its new character are it has shown during these eighteen years, by certain acts which have been alluded to during the controversy that has been going on. Dr. Dimmock, the Principal of the Grant Medical College, mentioned one of these. The Professors of that College have from time to time for the last eighteen years been bringing up the question of raising the standard of qualification for entrance into that College from the Matriculation to the Intermediate or at least the Previous Examination and substituting the M.B. Degree for the L.M. or L.M. and S. The sister Universities of Calcutta and Madras have long since made the change, but our Senate consistently threw out the proposals of the Grant Medical College Professors on all occasions. But repentance generally comes over one on death-bed; and our Senate has recently accepted the proposals. Again, certain courses of study are laid down for the different degrees and the candidates have to go through these within a specific period. The period is an essential constituent of the test to be applied. A young man cannot be said to possess much capacity, if he is able to get up one subject only in that period, and takes up another at any future time he likes, and similarly a third after he has passed in the second. And the evil is heightened when, after passing in the first subject, he is at liberty to leave College, take up some employment, and during his leisure hours study the subjects in which he has not passed. Besides, the several subjects of the course form a whole, and his passing in that whole at one and the same time, whatever the period he takes to get it up, is itself an evidence of his powers, which is lost when the course is broken up into parts. This examination in compartments, as it has been called, has been condemned by the Universities Commission including the Hon'ble Mr. Justice Gurudas Banerji, and it is condemned by almost all the educationists on the Bombay side. And yet in

spite of their protests our Senate passed a resolution dividing the course for the third or last examination for the B. A. Degree into three parts. The Government, in the time of Lord Sandhurst, having with much trouble ascertained the views of the College teachers, vetoed the resolution, and when asked for the reasons at a meeting of the Bombay Legislative Council, Lord Sandhurst declared it had been done in the interests of higher education. What a falling off have we here from the standard laid down by Sir A. Grant and what a change in the relative positions of the University and the Government ! Sir A. Grant used the words I have quoted in his address to Sir Bartle Frere, thinking that Government were not disposed to approve of the strict and severe examinations of the University, and Lord Sandhurst overruled the University, because it had lowered the character of its examinations—that is, rendered them less strict and severe. The form in which the proposal was originally sent up to the Syndicate was that a candidate who had failed should be examined the next time he appeared only in those subjects in which he had failed, and if he passed in some of these at the time and failed in others to examine him the third time in these last only until in the course of time he had passed in all. Thus the University had to open an account with every candidate, debit to him the examinations in all the subjects and place to his credit each as he passed it until the whole account was cleared. Similarly, the view that anybody should be admitted to the examinations, whether he was educated at a College or not, was held by some of the leaders of the Senate. The reforms that the Hon'ble Mr. Gokhale spoke of the other day were effected fourteen years ago when the present standing majority had not become compact or was not organized. As to the other requisite of a good education, the temper of our Senate will be understood from an occurrence that took place about ten years ago. A complaint of serious breach of school discipline caused by a defect in the form of the certificate to be produced by candidates for matriculation was made by most of the schoolmasters in the Presidency. The representatives in the Syndicate of the standing majority in the Senate stoutly refused to alter the form, but the point was carried against them ; and when the proposed alteration was brought up before the Senate, it was passed only because the schoolmasters who were Fellows came up for the meeting from different parts of the Presidency. The question of going back to the old form was again raised about three years ago, but through the influence of some educationists on the Syndicate it was dropped. It will thus be seen that the tendency of our Senate is not to raise the standard even when an imperative necessity has been shown for it, to lower the character of the tests and pay little attention to breach of discipline. And, constituted as it is, nothing better can be expected of it. The change, therefore, con-

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templated by the Bill cannot but be salutary in the interests of higher education and will not effect any violent change, but will only bring our University back to the standard of Sir Alexander Grant, and legalize that form of the Senate which it practically had about twenty years ago, when only the Educational Fellows and such as understood education and took real interest in it, attended the meetings, and the rest held aloof contenting themselves with the mere honour.

“ But a further change that the Bill contemplates is to reduce the tenure of Fellowships to five years. A life tenure will have the effect of reducing the proceedings of the University to a dead routine. There is no opening for the infusion of new ideas and new modes of working ; and it has a distinct tendency to impair the sense of responsibility. With a limited number of Fellows a life tenure will make our Senates in some respects worse than they are at present, since now the addition of new members every year introduces fresh blood into the organization. With the limited tenure the advantage arising from fresh annual additions which we have at present will be retained, while the Senates will be prevented from becoming too large by the compulsory retirement of old Fellows equal in number to those added. I am, therefore, entirely in favour of the change. A ten years' tenure was suggested by some ; but I think its effects would be nearly the same as those of a life tenure. I was, however, in favour of the proposal to extend the tenure to seven years, and I think still it might have been adopted though I attach no great importance to it.

“ But it is stated that such a short tenure will make Fellows subservient to Government, since their re-appointment depends on their pleasure ; and it is even hinted that it was resorted to as a device to enable the Government to control the deliberations of the Senate. In this respect I perfectly agree with my honoured friend, Principal Selby of the Deccan College, who writes, ‘ I cannot think that Government intend to watch the deliberations of the Senate or that they have a policy of their own with regard to the matters which come before the Senate and that they intend to punish by deprivation those who oppose them.’ If we look to the previous history of the manner in which Government on our side have been acting towards oppositionists, we shall find that in the Legislative Councils, before elected members were admitted, they often re-nominated a person who criticized and opposed their measures. Neither did the Government or their officers ever endeavour to influence in any way the deliberations of our Senate. And the concession that Government have made that not less than two-fifths of the Fellows nominated by the Chancellor shall be educationists and the restriction they have thus placed on his power show to my mind

that what is aimed at by these provisions in the Bill is to secure an efficient Senate and nothing dark is contemplated. The other points in the Bill, on the strength of which the charge of officializing the Senate has been brought forward, are, first, the occurrence in section 3 of the words 'subject to the approval of Government', secondly, the affiliation of Colleges directly by an order of Government based on the recommendation of the Senate, instead of by a resolution of the Senate approved by Government, and, thirdly, the power reserved to Government to make additions and alterations in the regulations to be made by the new Senates. The first has now been given up by the Select Committee; the second power the Government already possess by the Act of Incorporation and it has always been exercised at Calcutta, though the Bombay Government did not know of their possessing it till 1897; and the third is now by a resolution of the Select Committee to be exercised only after consulting the Senate. And it ought not to be forgotten that this power is to be exercised only once, *i.e.*, in the beginning, and not afterwards. I think this last power might be given up by Government. If they consider an addition or alteration desirable in the first body of the regulations, they might make suggestions to the Senate, which suggestions would certainly be attended to. I do not remember a suggestion of Government having been thrown out by our present Senate. Now, if the second power, which Government have all along possessed, has not officialized the Universities hitherto, there is no reason to believe that it will officialise them in the future. My Lord, the independence of Universities is a matter on which some of our most eminent Vice-Chancellors laid very great stress. Sir Alexander, in the address to Sir Bartle Frere already quoted from, contended in 1867 for the independence of the University as against Government interference; but Sir Raymond West in 1888, while admitting the necessity of that independence, drew particular attention, in a passage quoted by the *Times of India*, to what he calls 'another kind of independence.' 'Now in these days,' says he, 'the Universities in Europe and also in India may have a still more arduous task to perform, when democracy is advancing with such giant strides, and when the multitude almost thinks it has a sort of divine right to go wrong.' 'The Universities must be made and kept independent on that side as well as the side which they present to the Government.' The difference in the attitudes of these two Vice-Chancellors shows the difference in the condition of things in 1867 and 1888, and Sir Raymond West must evidently have in his mind the tendencies which, as I have said, began to operate about the year 1883 and which have now worked themselves out completely.

"The third point very strenuously objected to in the Bill before us is

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that concerning the stringent rules about affiliation. If discipline and the moulding of character are a requisite of sound education, more important even than intellectual education, efforts must be made to secure them. The students should always live under the eye of their teachers, and in order that the students may feel their influence and the teachers stand before them always as models, it is necessary that they should meet in other places than the lecture-room and should freely mix with each other. At the same time, as between students themselves, friendship, mutual regard and appreciation, sociableness, good manners, and such other virtues are promoted by their living together. All this is not possible unless residential quarters and houses for teachers are provided within the College premises. And it would promote a healthy moral and intellectual tone if the whole establishment were located in a place remote from town influences. We should carry out the idea of what I might call the forest Universities of the old Hindu Rishis. We find frequent mention in the Mahābhārata and the Purāṇas of teaching establishments in forests presided over by a person who was called Kulapati. A Kulapati is traditionally explained as a holy Brahman who fed and educated ten thousand persons. Whether he was able actually to feed and educate so many is of course open to question; but the fact of there being such establishments in places remote from towns may be relied on. And the Hindu idea of the student becoming a member of the family of the teacher has come down to our own times. A Hindu's traditional reverence for his Guru or teacher is in all likelihood based on that fact. But with our new system of education both the living together and the reverence have disappeared. And the Hindu ideas have also been European ideas. The older European Universities are located remote from busy towns, and students and teachers live together and dine together. And these ideas have not been unfamiliar to us in Western India. Our old educationists, Mr. Howard and Sir Alexander Grant, chose sites away from the towns of Bombay and Poona for the Elphinstone and Deccan Colleges, and made provision for residential quarters for the students and a house for the Principal or a Professor. And from time to time the accommodation has been added to and even now new buildings are being erected. But a great deal more in other respects remains to be done to bring about a close intercourse between the students and their teachers. The Principal and Professors should, for instance, give conversational parties and invite their pupils to them, the expenses being paid from the College funds. The aided Colleges too have, so far as possible, carried out these ideas; so that the opposition to these provisions of the Bill is not strong on the Bombay side. But in Bengal it is loud and determined. Educationists in Bengal do not seem to have in past times fully realized the importance of students and teachers living

close to each other and to have familiarized the people with those ideas. Consequently mere rooms for classes are considered a sufficient accommodation for a College. Some good men are afraid that, if these provisions of the Bill are strictly insisted on, the number of Colleges will decrease and the moral and social regeneration of India which depends upon the wide spread of education will be arrested. But discipline and the moulding of character form, as I have frequently observed, a most essential constituent of a good education ; and I feel convinced that where these have not been attended to, the education imparted will, instead of helping, retard India's regeneration. For do we not often observe sophistry and perverse reasoning resorted to frequently to defend old customs and principles of action and find holy orthodoxy openly and rank heterodoxy in secret ? No, no ! A large number of such men must contribute to render Indian society hollow with no faith in any definite principles. And the Bill does not propose to make the new conditions applicable to Colleges already affiliated, though the inspection clauses will compel the managers to attend to some of them at some future time. Besides, even in the case of new Colleges seeking affiliation, the fulfilment of the conditions in the beginning is not insisted on ; what is required is to satisfy the Syndicate that they *will* be conformed to. Again, accommodation for students and teachers need not, according to the Bill as amended by the Select Committee, be provided in the College, but may be secured in or near lodgings approved by the College ; and students residing with their parents are not to be compelled to live in the College or lodgings. It will thus be seen that all that is sought is that the students should be under some discipline, and all unnecessary difficulties in the way of the managers of old or new Colleges have been carefully avoided. To require therefore that these provisions as to residence and inspection should be given up is to assert that discipline and moulding of character are of no importance in education. And should any difficulties in complying with the conditions to be imposed, be really experienced, our patriotism ought rather to take the course of assisting the institutions by collecting the required amount of money than of insisting that those conditions should be dropped. If our Vice-Chancellor Sir Raymond West had not been exacting in his demands, when the managers of the Fergusson College at Poona applied for affiliation, efforts would not have been made to collect funds and 'the College,' as Principal Selby says, 'would never have become what it has become.' I have, therefore, no fear that the provisions of the Bill will retard the diffusion of education ; they will simply have the effect, if at all, of making us exert ourselves to raise funds for private institutions, as was done in the case of our Fergusson College.

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“The object of the Bill is to raise the standard of higher education by requiring a systematic course of education and so far as possible to prevent cram, which an exclusive attention to examination fosters. That in a large number of cases our educational system gives little training to the mind and simply encourages cram cannot be doubted. One finds it by the manner in which our Graduates often speak and write. In the department of Sanskrit Scholarship and Indian Antiquities, the critical methods of study are understood and appreciated by very few. A great many endeavour to follow them, but not understanding the spirit fail in some points most egregiously. A more definite test is afforded by the number of men that write prize-essays and fail to obtain the prizes. There are seven prizes in connection with our University which are awarded to the writer of the best essay on any given subject. The Syndicate has been offering some of these for the last 38 years, others for 28, 27, etc., and the total number of years or the total number of prizes hitherto offered in connection with these seven endowments is 182. Of these, 52 were not competed for at all; for 130, essays were received, but 57 prizes only were given and 73 not given, as the essays did not deserve them. Supposing that about a hundred essays were sent in for the 73 prizes, and not taking the unsuccessful candidates for the prizes that were awarded, it follows that the number of unsuccessful writers is to the number of successful writers as 100 to 57, *i.e.*, about 63 per cent. of the writers are unsuccessful. But if we regard 73 essays alone to have been sent for the 73 prizes, 56 per cent. at least are unsuccessful. Thus the percentage of Graduates who, though they have the energy and the will to write, are not able to study a subject for themselves and do independent work deserving of any consideration varies from 55 to 63 or more per cent.; that is, the education of so many is defective. While, if we take the number of prizes not competed for at all, the number of effective men is greatly reduced.

“But some gentlemen understand the object of the Bill to be to provide that the highest possible education should be given to the Natives of India and learning should be encouraged, and it is contended as against its provisions that lower education is also wanted. As I understand the Bill, it does nothing of the sort. It does not propose the abolition of Anglo-Vernacular or High Schools. These are wanted and men whose education stops there have also a useful function to discharge. But what the Bill aims at is that the higher or College education that is given should be of a nature to train the mind of the student and mould his character. Is it contended that this is not wanted and that we want Graduates without mental and moral training, men who believe that they know English Literature, History, Political Economy,

Philosophy, etc., simply because they have passed an examination in them, but really possess no clear conception about anything and are unable to reason consistently and to turn their knowledge to a good account and who have not in them the making of good citizens? If so, I must beg leave to differ entirely from those gentlemen. I contend that the higher education that is given to a man should be real and not a sham and that a sham is harmful to society and can in no way do good to it. A man's education may be of a lower degree but certainly not a sham.

"Now the question is, will the Bill before us remove the existing evils and render our higher education a reality? It lays down the plan of work, and that, I feel convinced, is well-devised and calculated to secure the end in view. But whether it will give us men with their minds well trained and characters properly moulded will depend entirely or in a large measure on the sort of persons who are entrusted with the execution of the plan. The laying down of a plan is all that the Government of India can do in its legislative branch, but it is the function of the administrative branch to see that the agents employed to carry it out are efficient. We must have Fellows with strong academic instincts, and teachers who can and will do their duties zealously and effectively. The aim of these latter must be to train the intellect and the heart of their pupils. Their ability, culture, and character must be such as to inspire true respect and reverence for them in the minds of the students. In the time of Lord Dufferin the Government of India issued a Resolution directing greater efforts being made towards moral training in schools and Colleges; and our Vice-Chancellor Sir Raymond West in speaking of it in the course of his Convocation address insisted on noble examples being placed before the students in the shape of their teachers and said, 'I have little faith in any other method, and for those who desire a continued progress, and elevation and refinement of character, as well as the development and expansion of the intellectual faculties, I say, "Get good and capable and high-minded teachers."' We must of course procure our teachers principally from England, and if we would have such results as this Bill aims at, 'England must,' in the words of Lord Reay, 'give to India a due proportion of its *best* men.' 'Unless,' he goes on, 'Indian Universities receive the best representatives of English learning, they must fail, and failure in this instance entails positive and not merely negative results.' This, in my humble opinion, is perfectly true. But do we always get the best representatives of English learning and good, capable and high-minded teachers? It would be ingratitude to deny that we have had five or six such men during the last forty-five years; but we have had a much larger number of quite another stamp. For our purposes mere Oxford pass-men will not do; we have tried

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them and found them quite unsatisfactory. Young honours-men coming out soon after their examination, with their tastes unformed, acquire habits here which can certainly not be called academic. In my opinion a man, who has been brought out as Professor of a certain subject, should devote himself entirely to it, and should not fritter away his time and energies. He should endeavour to know all that can be known in that subject and should constitute himself an authority on it. But this is not done except in a few instances, and the bait is often held before them of Educational Inspectorships and other better-paid appointments. There is only one man within my recollection who has resisted the bait and stuck on to his work of teaching and study. Professors of Sanskrit on our side are expected to do some original work, and that is because these appointments were formerly held by Germans, and a German is never a Professor unless he is a student at the same time. But I do not see why Professors of English Literature, History, Philosophy, Mathematics and Science should not similarly be expected to do some original work; but that is not done. I think, if we would have, in the words of Lord Reay, 'the best representatives of English learning,' men of the stamp of resident Fellows of the Colleges at Oxford and Cambridge, who after their examination have passed several years in the atmosphere of their University, should be secured for the Indian Educational Service. Indian Colleges should also have a fair complement of the best Native Professors available. In Bengal we have a good many Indians educated in English and Scotch Universities and who have taken high degrees. These should be first availed of. Then our own distinguished Graduates should be admitted; but the implied condition in the case of all these as well as of European Professors should be that they should be students as well as teachers. Not only should Government procure such men for their Colleges, but make it a condition of their grants-in-aid that private Colleges should employ persons of the same stamp; and it will be the duty of the Syndicate to see that unaided Colleges should also have such Professors. Now, all these men will give an academic tone to our Universities and will naturally be as Fellows the leaders or directors of the Senate; in fact, according to my view, it is such men that constitute a University.

"And if we have a large body of such men, we shall be able to remove another great evil. The University requires good examiners as much as good teachers. The examiners in the last resort really determine what a student shall read and how he shall read it. The student cares little for those points in his Professor's lectures on which the person usually appointed examiner is not likely to ask any question. And it depends on the examiner to find out whether the candidate's mind is really trained in the proper way; and his question

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paper should be so framed as to bring out this. If we have such examinations, they will exercise a wholesome influence on the teaching and the learning. To be able to do his duty properly, an examiner should be a specialist. Appointments, therefore, to examinerships must be carefully made; but in a good many cases the importance of the function is not appreciated and the necessary care is not bestowed on the matter. Persons with no pretensions to a special knowledge of a subject are appointed examiners in that subject even at our highest examination in Arts, the M. A. There is no doubt a difficulty in getting good men, and now and then in the present state of things irregularities on the part of Professors who are appointed examiners are complained of. But this difficulty and these irregularities and evils of a like nature will, I think, disappear if such a Professorate as I have described, *i.e.*, a Professorate composed of 'good and high-minded men,' who are students all their life, is secured and a healthy academic atmosphere created about our Universities. And with such a Professorate and academic atmosphere and such a law for the regulation of the constitution and functions of the Senate and Syndicate as is laid down by this Bill, I anticipate nothing but a bright future for the education of India and for India itself."

The Hon'ble MR. MORISON said :—"My Lord, the Government Resolution upon education, which appeared last Saturday, must profoundly affect the view which we take of this Bill, for now we have an assurance that this measure is not the end but the beginning of educational reform. If indeed this Bill had been the final measure of reform in which the educational movement of the last three or four years was to culminate, I should have confessed to a great sense of disappointment. I am, certainly, in favour of placing a maximum limit upon the number of Fellows and of transferring to the Statute Book certain regulations which have hitherto only been found in the Calendar; but these are not changes which, however desirable, could very materially improve the character of University education, and, if reform were to end here, I could only look upon the Bill as a piece of minor legislation about which it would be difficult to entertain any very strong feelings.

"The Government Resolution of last Saturday has dispelled any such fears, and I am now hopeful that the introduction of this Bill marks the beginning of a new era for education in India and that it is the preliminary to changes which will deal directly with education itself and not merely with its administrative machinery. The discussion upon the amendments has dealt with all the main provisions of this Bill, but I should like to make a few remarks on certain aspects of the policy which is now being inaugurated, upon which the Resolu-

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tion is silent or with regard to which I differ from the Government. The Bill before us is, in the main, an enabling Bill, a measure to give power to the Universities to improve themselves; reform has not been imposed upon them from without, but an opportunity has been offered them of developing themselves from within; hence the years immediately following the passage of this Bill are of the utmost importance, as upon the public opinion then formed will depend the policy which the Universities will adopt. I feel very strongly that all men engaged in the work of education ought to exert themselves strenuously during this critical period to secure the general adoption of sounder views upon education and a truer conception of the value of learning. That is a task which can best be performed by persons who are not in Government employment, but I should like to secure the co-operation of the members of the Indian Educational Service, and in order to make this co-operation possible I ask the Government to give their educational officers absolute freedom to speak and vote in the Senate according to their own convictions and release them from the obligation expressed or understood of voting on all occasions with the Government. As long as the suspicion exists that the members of the Educational Service are merely the mouthpieces on the Senate of the official policy, so long will they be powerless to influence public opinion. Furthermore, the departmental expedient of controlling the opinions of its own officers results, in practice, in depriving the deliberations of the Senate of any real value; the Senate becomes a chamber for registering the opinions of the Director of Public Instruction, mechanically worked through by the departmental vote; the eminent scholars and experienced educationalists in Government service are precluded from contributing anything of value to the debate; the Senate arrives at a foregone conclusion in order to take from the Director of Public Instruction the odium of an unwise or unpopular measure.

"The second point on which I would ask the Government to amplify the policy indicated in their Resolution is directly connected with that section of the Bill which deals with affiliation and disaffiliation. As soon as this provision becomes law I submit that the Government will have undertaken a new responsibility with regard to aided and independent Colleges, and I venture to ask them to adopt a policy with regard to these institutions which seems to me to be a logical corollary from this section. As affiliation and disaffiliation are in future to be acts of Government, it follows that every institution which continues to be affiliated has the approbation of Government. I admit that as long as affiliation and disaffiliation were the acts of the University it was open to an officer to doubt whether a local institution was approved of by Government or not; but

that doubt is now resolved; if the Government has not disaffiliated a College, the Government presumably approves of it and desires that it should be as efficient as possible. Now what all Colleges, Government, aided or unaided, want is more money; the heads and managers everywhere recognise their deficiencies in the matter of buildings, staff, library and laboratory equipment, but are helpless to remedy them for want of money. I therefore ask the Government expressly to permit their officers to give local bodies their countenance and assistance in raising funds for education; I wish that Government would go even further and inform local officers that they are *expected* to render such help to Schools and Colleges in their neighbourhood. It is right that Colleges which are founded for the good of particular communities or a particular area should be compelled to depend mainly upon their own exertions for finding the necessary funds, and I think that institutions which are thus founded and controlled by the people themselves have a particular virtue in infusing public spirit in their students; but none of these movements is yet strong, and Government should aid the weak beginnings of self-help by judicious encouragement. Outside the Presidency-towns, the Collector is still a great social power, and when I see the waste of money by which local *raises* attempt to toady themselves into his favour, I cannot help being indignant at the officer who refrains from diverting this expenditure into fruitful channels; for the money that is squandered year by year in every division upon dinners, garden-parties and *tamashas* to the Commissioner and Collectors would be enough to revolutionise the finances of most private Colleges. I should like to see the Commissioner co-operating openly and actively with the local governing body in bringing the Colleges in his division up to a higher pitch of efficiency. We all know that the best way to collect money for any public object is to get the Commissioner or Collector to take the chair at a meeting, and public opinion would very strongly support any Government servant who used his official position to collect subscriptions for education. As the logical development of the policy indicated by this Bill, I ask the Government, in the first place, to rescind all existing circulars which forbid Government officers to take part in any public meeting in aid of a private College, and in the second place to recognise publicly that the founder or benefactor of any affiliated College has rendered a public service which the State will not be slow to honour. If the Government would give effect to this policy, the aided and unaided Colleges would not long remain inefficient, and now that affiliation and disaffiliation are the direct acts of Government I can see no reason for maintaining the old attitude of official indifference.

"I have got one more suggestion to offer regarding the policy to be pursued under this Act. If the Government is not prepared to assist private Colleges by

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official countenance, then I beg to protest against any attempt at improving University education by the barren process of disaffiliating the inferior Colleges. Even granting that the minor Colleges are very imperfect, I strongly deprecate anything like a general suppression of them. It is a curious mistake to hold, as some people do, that the existence of bad Colleges vitiates our whole University system ; for as a matter of fact these Colleges hurt none but their own pupils ; no other College is prevented from doing good work by the fact that they are unsatisfactory ; the real need of our Indian Universities is not fewer bad Colleges, but more good ones, or, to put the matter more accurately, it is the badness of our good Colleges and not the badness of the bad ones which is the capital defect of our educational system ; and consequently by far the most important problem for us to solve is how to find money for more teachers and libraries and better laboratory equipment in our big Colleges. But if in pursuance of a mistaken policy a large number of the smaller institutions are disaffiliated, the immediate and inevitable result will be to impair the efficiency of the good Colleges. Every one of our big Colleges has already more pupils than its staff is able to cope with, and every one of them would be thrown into a state of disorganisation if large drafts of students from disaffiliated Colleges were added to the present number.

“But although I may not see eye to eye with the Government as to the future developments of their educational policy, I cordially support that policy in so far as it is defined in this Bill ; and, as the Head of a private College, which has owed much to the sympathy and co-operation of Government servants, I wish to express my regret at the acrimonious recrimination of Government which all over the country has been imported into the discussion of University questions. The abuse of Government is part, sometimes indeed the whole, of the equipment of Congress politicians ; but the large and earnest body of Indians who believe that education is the supreme need of their countrymen, and who are labouring with unselfish devotion to diffuse its benefits, will deplore the thoughtless language which is tending to alienate the sympathies of the official class from education.”

The Hon'ble MR. PEDLER said :—“My Lord, as the Bill which is about to be put to the Council will form a new starting point in the history of Indian University education, it is impossible for me to give a silent vote in its favour. In view of the strenuous opposition to many of its clauses and in view of the fact that one of the members of the Select Committee on this Bill considered it necessary to put forward a dissent in which the whole policy of the proposed changes has been called in question, and in which he stated that he considers ‘the whole

measure a most retrograde piece of legislation bound to prove detrimental to the highest interests of the country,' it appears desirable to state one or two facts and points of view which may have been lost sight of. In the discussion of this Bill in the various newspapers also, the exact conditions of the existing University education in India appear to have been quite misunderstood and wrongly described, and a great many of the statements made have been utterly at variance with what in my opinion are the existing conditions of Indian higher education, and specially that of Bengal.

"I should wish therefore to be permitted to put forward certain considerations which to my mind make it imperative that this Bill should be passed, with the object of raising the tone and standard of University education throughout India, and I shall naturally refer rather pointedly to the Calcutta University, with the working of which I have been very familiar for the last thirty years.

"The motto adopted by the Calcutta University, which was the first of the Indian Universities, was, 'the advancement of learning,' and, if acted up to, no better motto could possibly be selected for any University,

"How has the Calcutta University contributed to the advancement of learning in the last fifty years? Have the Graduates who have passed through the various Indian Universities, advanced learning in any way? Speaking as a general truth, and without taking a few exceptional cases into consideration, have Indian University students developed any original thinking power, have they shown any aptitude for original research either on the literary or scientific side of learning?

"There are half a dozen or a dozen honourable exceptions among Indian Graduates, some of whom are sitting at this Council today, but the great bulk of Indian Graduates show *no* originality. As Director of Public Instruction in Bengal, I am a Trustee of the 'Elliott Fund for fostering Original Research.' In many years the annual prize cannot be awarded as not a single research worthy of the name is sent in to the Trustees. The Government of Bengal also gives certain Research Scholarships yearly, and, as Director, all applications for them pass through my hands. The selection of really qualified candidates for such scholarships is most difficult, and only a still smaller number of Graduates justify their selections, and among such students, several have asked to be allowed to take up University Examinerships necessitating their throwing up research, simply because these Examinerships pay well, and rather better than the Research Scholarships they are holding.

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"Looking at what has been done by the Graduates of the Calcutta University, and the general character of the men turned out in the last half century, it would perhaps have been better if the motto of the University had been changed from 'the advancement of learning' into 'the repetition of known facts.'

"There are many aspects from which high education can be considered, and one of the least satisfactory from an educationist's point of view is, what may be called, the 'commercial aspect.' I am sorry to think this is the point of view which must be strongly held by certain members of this Council, for some speeches in the Council when the Bill was referred to the Select Committee and again more recently can only have been prompted by their valuing high education solely by its ability to secure remunerative employment for those who possess degrees. They seem to be more than content with the existing state of affairs, and think that all is well if the holder of a depreciated degree is able to get remunerative employment, and that all will be ill if a certain number of more or less uneducated persons are not allowed the distinction (!) of calling themselves Graduates of an Indian University. Their speeches clearly showed they are content with a low standard for degrees. I am sorry to say also that the commercial aspect of education is the one generally in favour in Bengal.

"How is knowledge to advance in India unless a really high standard is set by each University? Instead of gradually but steadily elevating standards of high education in Bengal, the tendency, I am sorry to say, has been the reverse. The examinations in the Calcutta University have in many cases been not on knowledge of, or on a mastery of, subjects, but on a knowledge of particular text-books, and in many cases examiners are forbidden to go outside the four corners of the text-books. Let me read a few extracts from the rules for examination in the Calcutta University issued to all examiners for their guidance :

'Gentlemen setting papers are requested to guide themselves by the text-book or portion of the text-book prescribed by the Syndicate as covering the syllabus.' 'When two or more alternative text-books or groups of text-books are prescribed in any subject, the examination questions shall be so framed as to be capable of being answered out of any one of the prescribed text-books or groups of text-books.'

"Here is another gem in the Calcutta University rules—

'In the mathematical papers for the Entrance Examination not less than 60 per cent. of the marks in Geometry and not more than 30 per cent. of the marks in Arithmetic and Algebra shall be assigned to book work.'

"The passing marks in this paper are fixed at 25 per cent., so that any student can secure far more than pass marks simply by book work.

"Again, in the F. A. Examination, the rule runs—

'In the mathematical papers, at least three-fifths (or 60 per cent.) of the marks shall be awarded to book work.'

"Again, the pass marks in mathematics are 25 per cent., so by simply knowing his book work a student can secure more than twice the number of marks required for a pass. It is, however, useless to multiply instances, and only one further case need be taken from the B. A. rules, which runs—

'The questions in Descriptive Astronomy shall be confined to book work.'

"I think I am right in saying therefore, the Calcutta University Examinations are largely on books and on book work.

"Is it any wonder, in the face of instructions like these, that if a professor in a Bengal College lectures on any special point not within the four corners of the text-book, the students either say to the lecturer 'this is not required for our examination' or pay no attention to the lecturer? What is the value of a good professor or lecturer in the face of such regulations? A good gramophone would be nearly as useful as a professor in certain cases. Can it be said that these rules are not a direct invitation to the students to 'cram' their books, and can it be wondered at that the Universities Commission found that in addition to low standards of examination the prevalent evil in Indian education was 'cram'?

The Hon'ble Dr. Mukhopadhyaya apparently attributes this unsatisfactory state of things in Indian University education partly to certain changes of the policy of Government in replacing a certain number of European Professors by Indian Professors, and he has made a rather strong and personal attack on the scholarship and attainments of the members of the Bengal Educational Department. In my opinion these charges do not explain the lowering in the standard of Indian education, but the causes are to be sought in such regulations as those to which I have referred.

"I do not propose, however, to take up these attacks at present, as they can scarcely be adequately dealt with in such a place as this. I should, however, wish to point out that it is very easy to compare the past with the present and not to the advantage of the present, and it is difficult to weigh one set of men against another; but the members of the Bengal Educational Department are,

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I assert, all men who are filled with the highest sense of duty and who do their work with the highest aims and with the greatest ability and zeal. I will also add that in my opinion many of the members of the Department of which I have the honour to be head are men who in their turn will earn equally honourable if not more distinguished names than those of the gentlemen quoted by Dr. Mukhopadhyaya with so much praise.

“I am afraid it must be admitted that a very low standard of examination, and therefore of work, is now required by the Calcutta University and I believe by Indian Universities generally. Indeed, it is not, I think, going too far to say that in Bengal such standards have had to be set because of the numerous low grade institutions, that is, both Colleges and schools, which have been from time to time affiliated to the Calcutta University.

“In such cases as this, however, it is difficult to distinguish between cause and effect, or to say whether the low standards of examination have produced bad schools and Colleges, or whether the existence of the latter has dragged down the standards of examination. The history of such things has, however, been exemplified in the records of the Calcutta University, and it is really a case of action and reaction. Thus large numbers of failures due to Colleges and schools sending up improperly prepared candidates, result in the appointment of Committees of Enquiry,—the standards are by them declared to be too high and are lowered. Schools and Colleges then work to a still lower level than before, the process is repeated, and the final result can be well imagined.

“This lowering of the standards of teaching has gone on to such an extent that the conclusion which was forced on the Indian Universities Commission was that, unless something was done to improve the condition of such educational institutions, high education in certain parts of India would shortly cease to exist.

“The Commission visited certain Colleges, I will not say in what locality, which were teaching up to the highest degree of M. A., and which were supposed to be teaching practical Science, where the scientific apparatus was certainly not worth ten rupees. In other similar Colleges, a display of new scientific apparatus was made, but it had clearly never been used to perform a single experiment. The apparatus was for the purposes of inspection only. I can unhesitatingly say as an expert in certain branches of Science, that in a very large proportion of the schools and Colleges in India, the so-called teaching of Science is a complete failure; and I am afraid the same conclusion would be

applicable to the teaching of many other subjects. I have inspected many Colleges and many schools in many parts of India, and the percentage of really satisfactory institutions is, I regret to say, lamentably small.

“Again, I would ask, can there be anything more disheartening than for those who are connected with admittedly good Colleges and schools, and for those who are earnestly striving after high educational ideals, to find that really good and sound work is at a discount, as for example, in the Calcutta University? It is most disheartening also that Colleges and schools in which only instruction, and not real education, is given, are placed on a par with good institutions and, so far as the University numerical results show, are believed to be equally successful.

“The Bill this Council is now asked to pass is clearly framed with a view to put the government of the Universities on a more satisfactory footing. Speaking for the Calcutta University in particular, it is desired to make the Senate a working body, instead of an unwieldy collection of individuals, a very large proportion of whom have had no expert knowledge of education or of educational methods or even of educational needs. Another point which has been strongly emphasized on the discussions on this Bill is, that the Senate is to represent all classes of those interested in education, and not to be mainly representative of one small section of educated Indian opinion, as is the case at present in Calcutta. Also the Syndicate, which is to be the governing and executive working body of the University, and which will have large powers and functions, is to be largely composed of educational experts, who as such will be familiar with the practical working out of educational problems. The Bill indeed provides for a majority of educational experts being on the Syndicate or the governing body of the Universities. Can it be said that the majority of members of those Syndicates have in the past history of certain Universities been educational experts? Such experts have usually been in a hopeless minority, and the same has been the case in the Senates of some of the older Universities. To have secured this change in the method of government of the Universities as is proposed in this Bill will in itself be more than sufficient reward for all the time and trouble which have been spent on the question of Indian University reform.

“The Bill will, however, not only secure this great object of expert supervision over the working of higher education, but it will secure far more than this. Universities will be given facilities for teaching various branches of learning themselves, and for the creation of central institutions for teaching the higher branches of learning in a way which the majority of small Colleges can never hope to attain.

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"The Universities will now have in the rules laid down for the affiliation of new Colleges, and the inspection of existing Colleges, a means not only of keeping up the standard of education to a level to be determined on, but as time goes on to secure that, as educational methods advance, the standards of Indian education can be made to rise at the same time.

"Judging by the remarks which have fallen from Indian gentlemen, and from the remarks in the Press, it would appear that the majority of these think education is a fixed and constant thing, whereas on the contrary, if there is one branch of work in which rapid progress is being made, it is in the science of education.

"Indian University education cannot afford to stand still: it must advance. Even if our standards had remained stationary, this in itself is relative decay when compared to the rapid advances made in other countries. What is really wanted is a constant and steady advance according to the most modern methods of work and of thought. What is wanted therefore among our Fellows is a constant addition of young men educated up to the highest modern ideals, who may advise and guide our Senates in all modern developments. The former system of life Fellowships did not provide for this and the arrangement for the five years tenure in this Bill will give ample opportunity for bringing in such men; for new Fellows must come in if the Indian Universities are to live and to progress. Very much has been made in the discussions on the Bill of the value of such experience in educational matters as could be gained as a life Fellow of the Indian Universities. Experience is good, but only up to a certain extent, and there is always the reverse side. Experience without advance or progress is never likely to add to our stock of knowledge or to bring about success. Experience entirely confined to working an out-of-date machine is not a good preparation to control a more perfect modern machine.

"In my opinion, therefore, one of the most valuable provisions of the whole Bill is that of terminable Fellowships, by which a constant succession of young and able men will be able to be brought in as Fellows of the Universities.

"There are, however, other features of the Bill, such as the provisions for residence of students, power to add experts in Boards of Studies and the Faculties inspective of Colleges, and many other matters; but I should weary the Council if I were to refer to them in detail.

"My view of the situation, expressed in a few words, is this: Government is making a whole-hearted attempt to provide the necessary University machinery

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for putting this section of Indian education on a higher and nobler basis than hitherto. It is giving to teachers a more potent voice in education. It is trying to arrange matters so that in future teaching may not be subordinate to examination, but rather that examination should be subordinate to teaching. It is providing machinery by which collegiate and other institutions can gradually be brought up to a proper standard, and that they may be steadily and gradually elevated in the future.

“It is further to be remarked that if once a proper standard of Indian University education is set up, and if arrangements are made for its future continued improvement, this in itself will at once elevate all other branches of educational work in India to a corresponding extent.

“At present the low standard for the pass B. A. degree which admittedly exists necessitates an equally low standard for the Intermediate or F. A. Examination, and a correspondingly or even still lower standard for the schools which work up to the Matriculation Examination of the University. If, therefore, we arrange to elevate the B. A. degree to one representing a proper and really satisfactory standard, it will follow that in the course of a few years all the lower standards of education, even down to the lowest classes of our schools, must simultaneously rise.

“Hence I look upon it that this Bill will be of immense benefit, not only to Indian University education, but also to the whole range of Indian education, and will convert what is at present rather of the nature of a failure, from its exceedingly low standards, into a reality. Under the Bill the education which will be given will, I hope, be real, and not merely of the nature of instruction, as is so largely the case at present.

“Such being my view of the case, I confidently trust that the Council will pass the Bill, and thus give to India a renewed lease of intellectual life and vigour.”

The Hon'ble MR. ADAMSON said:—“This Bill has been framed by educational experts, it has been supported by educational experts, and it has been opposed at somewhat tedious length by educational experts. My only excuse for speaking is that I am not an educational expert. My views merely represent the opinion of the man on the street, who does not know very much about the science of education, who does not care very much how Syndicates and Senates are composed, but who looks broadly at the main question, and asks whether under the present system of University management, or under the system proposed in this Bill, the affiliated College, which is the machine of University

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teaching, is more likely to satisfy the condition of a good machine that has to manipulate valuable raw produce, that condition being that it shall turn out finished material with a minimum amount of waste. The finished material is the B.A., and the waste is the failed candidate. The Hon'ble Member who introduced the Bill referred to both of these products. I think that he was a little too hard on the B.A. I am not inclined to disparage the Indian B.A., because he is sometimes discontented, and because he sometimes has an exaggerated estimate of his own capacities. The same type is to be found not in India alone, but in England, and in fact everywhere where there is a University. But I will say this for him, that if his degree is the hall mark of a sound education, a little rubbing against the world soon tones down his discontent and conceit, and he eventually emerges a useful member of society as the result of the education that he has received. If, on the other hand, his degree is not the hall mark of a sound education, it is not so much the blame of the College at which he has been trained, as of the University examiners who have passed a spurious article. But when I turn to the great army of failed candidates, who are so conspicuous in Indian Universities as compared with Universities in other lands, I stand on entirely different ground. I think that they import a very real and a very serious danger to the community. In this opinion I am at issue with the opponents of this Bill. For when I turn to former proceedings in this Council, I find that the Hon'ble Mr. Gokhale, who is the chief opponent of the Bill, regards this blot on the Indian University system with the utmost complacency. He asked what harm the great multitude of failed candidates, who beset the avenues of subordinate employment, could possibly bring to the community, and he compared them to labourers who are out of work, because the supply is in excess of the demand. I am unable to share the complacency of the Hon'ble Member. What shall be said about the parents of this vast host, who have expended their means in educating their sons, and at the end find that the education to provide which they have pinched and saved and probably incurred heavy debt, is a mere froth, and that it has not fitted their sons for any situation that requires an educated man to fill it. And what shall be said about the young men themselves, who no doubt, boy like, have had an implicit belief in the efficiency of their College, and find after long years of wasted effort, that might have been better employed in cultivating fields, or in learning a trade, that their College is a fraud, that it has not fitted them for the only employment to which they aspire, and that the best years of their life have been wasted. Surely this is an evil to parents and to

sons that is fraught with the gravest and most serious dangers to the country. Does the Hon'ble Member think that there is any real comparison between these failed candidates and labourers who are out of employment? In the one case the labourers are competent to do the work, but they are impeded by a temporary derangement of demand and supply; in the other the failed candidates are for ever unable to obtain the only work which they desire, because their education has not fitted them for it. I can assure the Hon'ble Member that at least in the part of India with which I am best acquainted, it is not the demand for educated men that is inadequate, but it is the supply of the genuine article that is deficient.

"To me, the very fact that there is in India a disproportionate and overwhelming number of failed candidates, is convincing proof that many of the affiliated Colleges which profess to provide a University training, are imperfectly performing their functions. The machine is defective, because it produces an excessive amount of waste. Having in mind the views of the opposers of this Bill I have no hope that the Universities, constituted as they are at present, will ever take the drastic steps that are necessary to remove what all thinking men must regard as a serious evil. It is for this reason that I welcome the most prominent feature in this Bill, *viz.*, increased Government control. Government at all events is determined that affiliated Colleges shall teach up to a standard that represents a sound University training. I hope, and no doubt we all hope, that the time will yet come when the Indian Universities will be able to stand on their own legs without external assistance, but I believe, for the reasons I have stated, that at present and for years to come it is absolutely necessary that Government should assume quite as complete a control of the Universities as is given by the provisions of this Bill. The function of a University is to provide, not a smattering of learning for the many, but a sound and finished education for the limited number of students who are qualified to enter its gates, and who honestly desire to acquire it. A less adequate course of instruction is the function of a school of lower grade than a University. But the motto of a properly constituted University should be—

"A little learning is a dangerous thing"

"Drink deep, or taste not the Pierian spring."

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The Hon'ble NAWAB SAIYID MUHAMMAD said :—" My Lord, with Your Excellency's permission I beg to say a few words before the passing of this Bill. Though it has been considerably modified in the Select Committee and some of its objectionable features have been removed, still there is the fear that higher education may not increase as rapidly as it did in the past by the operation of the various provisions of this Bill, those especially which relate to the affiliation and disaffiliation of Colleges. If the defect in the existing system is removed by enacting that the Universities shall be deemed to have been incorporated for the purpose (among others) of making provision for the instruction of students, with power to appoint University Professors and Lecturers, to hold and manage educational endowments, to erect, equip and maintain University libraries, laboratories and museums and to make regulations to carry out the above objects and to do all acts which tend to the promotion of study and research, and if the existing regulations as to the affiliation and disaffiliation of Colleges and the constitution of the Senate and Syndicate were left uninterfered with, the whole country with one voice would have thanked Your Excellency most heartily for the endeavours to improve the educational system of this country. What the country wants is teaching Universities in addition to the existing Colleges, financed liberally by the State which will give facilities, to the promotion of study and research, for those who are intellectually fit for such purposes, and which will give those that can afford it and have the capacity for it an education that developes their best faculties and starts them on the track of thoughts which will most stimulate the higher activities of their minds in after life.

" The numerous stringent provisions of the Bill relating to the affiliation of Colleges will have the effect of preventing the establishment of new Colleges by private enterprise. For we cannot ignore the fact that the country is a poor one and the percentage of the educated population very low.

" My Lord, we are all aware that the Bill before us is based on the Report of the Indian Universities Commission. But the Government recognised the weight of Dr. Gurudas Banerji's authority, and at the back of the opinion recorded in his minute of dissent there is a great mass of public opinion, and it is doubtful whether it is wise to disregard it in framing a measure of this kind. In doing away with the existing governing bodies of the Indian Universities and in reconstituting the Senates, this Bill has accepted the recommendation of the Commission without taking into account the opinions of Dr. Banerji and the Senates of the different Universities themselves. No satisfactory reason has been given for fixing the maximum number of the Senates

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of the three older Universities at 100 and of the two younger Universities at 75, respectively. The analogy of the London or any other European University does not apply, because the respective attainments and eminence of the governing bodies of those institutions bear no comparison with those of an Indian University, while the apprehension appears to be well founded that the new Senates in India will not be sufficiently representative. The maximum numbers proposed by the Bill will be inadequate, to judge by experience, for the representation of all classes of interests.

“It has been contended that in some instances even Indian non-official witnesses or high Indian authorities have declared the Senates too unwieldy. If they did so, it was in the expectation that it was proposed to convert the Indian Universities into teaching Universities forthwith; but unfortunately this is not likely to happen. The fact has been evidently overlooked that the Senates retained their so-called unwieldy dimensions by the liberal nominations that were made annually, and to make these bodies less unwieldy it was only necessary to suspend fresh nominations for a few years at the end of which the Senates would be found to have been reduced to a more manageable size. And if the Government thought it best to fix a statutory limit, 150 would approximate more closely to an adequate number consistent with sufficient representation of all the religious communities, than the number which has been fixed by the Bill.

“In the case of one University, at any rate, as pointed out by my Hon’ble friends Rai Sri Ram Bahadur and Mr. Gokhale, the proposed reconstitution has not the support of local opinion, official or non-official; nor has the present constitution been given a fair trial. I am referring to the Allahabad University. When public opinion, the University authorities as well as the Local Government are alike opposed to the reconstitution of that University, the only ground on which this legislation can be applied to that University is, as one may fancy, due to an apprehension that ultimately the present constitution may fail, as it is said to have failed elsewhere. This will practically be a reform in anticipation of an evil the existence of which has not been proved. The Select Committee are to be congratulated upon having fixed on a uniform electorate for the election of a small proportion of Ordinary Fellows, though I see no reason why this right should have been withheld from the Allahabad and the Punjab Universities. Holders of the degree of Doctor or Master in any Faculty and all Graduates of ten years’ standing will be placed on the register and entitled to the right of vote. This provision is in accordance with the recommendation of the Universities Commission and will meet with general approval.

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“ In the treatment of regulations framed by the University the provisions of the Bill are open to grave objection. The presumption is that the new Senates will be better than the existing ones, but in point of fact the new Senates will not have even that measure of independence and responsibility which is enjoyed by the existing bodies. Either the capacity of the new governing bodies is doubted, or the Government desires to appropriate the functions of the University and to make it a Department of Government. To one of these two conclusions we are irresistibly driven, and the Bill now before us, instead of expanding the cause of higher education and making it more self-reliant and self-governing, seeks to deprive it of what little promise it had of growth in those directions. I have no hesitation in saying that this Bill is not suited to the conditions and requirements of the country at large, and in my humble opinion the existing system should be given a further trial.”

The Hon'ble MR. CABLE said :—“ My Lord, like my Hon'ble Colleague Mr. Adamson, I am not an expert, and it had not been my intention to speak upon the subject of the Bill now about to be passed into law—for I have of course recognized that it was entirely an affair for experts; and if I do venture now to make a few observations, they will only deal with the question of what I may call the resulting product of the Bill—of course I refer to the Graduates. We must all agree in hoping that under the new Act the Graduates will emerge from the Universities better equipped in every way for the battle of life, but they will have at least this in common with the present discontented B. A's. *vis.*, they will require employment. It is a fact, I believe, that the Government avenues of employment are choked and the ranks of the various professions are equally overcrowded. Why then should not these men turn to commercial and industrial pursuits? It is a fact that business enterprise is hampered in this country simply because suitable men in sufficient numbers are unobtainable. Given a body of able, highly educated, reliable and active young Indians available for the sphere of commercial management, and I have no doubt that they would obtain lucrative appointments. It is a mistake to suppose that for the higher grades at all events of commercial and industrial work, only a commercial education as it is called is necessary. Business is fast becoming a science, and will require the very highest training and attainments in the future if success is to be assured, and I know of no other career in India more honourable for its sons to pursue than the development of the resources of their own country.”

The Hon'ble MR. GOKHALE said :—“ My Lord, the struggle is over. The opponents of the Bill have lost all along the line; and it only remains for them

now to count up their losses—for gains they have had none. Let those who will, say what they will; this Bill amounts to an emphatic condemnation, as unmerited as it was unnecessary, of the educated classes of this country. It amounts to a formal declaration on the part of the Government of India, made with the concurrence of the Legislative Council, that the system of University education, which has been in vogue in this country for the last fifty years, has been a failure, and that the men educated under that system have proved themselves unworthy of being associated, in any appreciable degree, with the administration of their own Universities. My Lord, I feel that my educated countrymen have a right to complain that this condemnation has been passed on them without giving them a fair hearing. I do not, of course, refer to the hearing which has been given to the opponents of this measure in this Council—for I gladly acknowledge the unfailing courtesy and patience with which the Hon'ble Member in charge has conducted the Bill through the Council—but I refer to the fact that the Government of India decided to make these drastic changes on the one-sided representations of men who considered that because they were engaged in the actual work of teaching therefore they were entitled to a virtual monopoly of power in the Universities. Five years ago, when Your Lordship first announced that the Government of India intended taking up the question of University reform, the announcement was hailed with satisfaction and even with enthusiasm all over the country. Last year, speaking on the occasion of the Budget debate, Your Lordship wondered how it was that the appetite of the educated classes for University reform, at one time so keen, had suddenly died down. My Lord, the explanation of the phenomenon lies on the surface. Five years ago, when this question was first taken up, Your Lordship defined your attitude towards University reform in a speech made as Chancellor of the Calcutta University at the Convocation of 1899. In that speech, after pointing out the difference between a teaching University and an examining University, Your Lordship proceeded to observe as follows :—

‘ Nevertheless, inevitable and obvious as these differences are, there may yet be in an examining University—there is in such institutions in some parts of my own country and still more abroad—an inherent influence inseparable from the curriculum through which the student has had to pass before he can take his degree, which is not without its effect upon character and morals, which inspires in him something more than a hungry appetite for a diploma, and which turns him out something better than a sort of phonographic automaton into which have been spoken the ideas and thoughts of other men. I ask myself, may such things be said with any truth of the examining Universities of India? I know at first sight that it may appear that I shall be met with an overwhelming

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chorus of denial. I shall be told, for I read it in many newspapers and in the speeches of public men, that our system of higher education in India is a failure, that it has sacrificed the formation of character upon the altar of cram, and that Indian Universities turn out only a discontented horde of office-seekers, whom we have educated for places which are not in existence for them to fill. Gentlemen, may I venture to suggest to you that one defect of the Anglo-Saxon character is that it is apt to be a little loud both in self-praise and in self-condemnation? When we are contemplating our virtues we sometimes annoy other people by the almost pharisaical complacency of our transports; but, equally, I think, when we are diagnosing our faults, are we apt almost to revel in the superior quality of our transgressions. There is, in fact, a certain cant of self-depreciation as well as of self-laudation. I say to myself, therefore, in the first place, is it possible, is it likely, that we have been for years teaching hundreds and thousands of young men, even if the immediate object be the passing of an examination or the winning of a degree, a literature which contains invaluable lessons for character and for life, and science which is founded upon the reverent contemplation of nature and her truths, without leaving a permanent impress upon the moral as well as the intellectual being of many who have passed through this course? I then proceed to ask the able officials by whom I am surrounded, and whose assistance makes the labour of the Viceroy of India relaxation rather than toil, whether they have observed any reflection of this beneficent influence in the quality and character of the young men who entered the ranks of what is now known as the provincial service; and when I hear from them almost without dissent that there has been a marked upward trend in the honesty, the integrity, and the capacity of native officials in those departments of Government, then I decline altogether to dissociate cause from effect. I say that knowledge has not been altogether shamed by her children, grave as the defects of our system may be, and room though there may be for reform. I refuse to join in a wholesale condemnation which is as extravagant as it is unjust.'

"My Lord, the generous warmth of this most sympathetic utterance at once kindled throughout the country a great hope, and for a time it was thought that we were on the eve of a mighty reform which would change the whole face of things in regard to higher education in India. A liberal provision of funds for the encouragement of original research and of higher teaching, the institution of an adequate number of substantial scholarships to enable our most gifted young men to devote themselves to advanced studies, an improvement in the status and mode of recruitment of the Educational Service so as to attract to it the best men available, both European and Indian, the simplification of the preliminary tests, with a single stiff examination at the end of the course for ordinary students, so as to discourage cramming as far as possible—these and other measures of reform appeared to be almost within sight. It was, however, not long before the new-born hope that had thus gladdened our hearts was chilled to death, and we found that, instead of the measures we were looking for, we were to have only a perpetuation of the narrow, bigoted and inexpansive

rule of experts. My Lord, it has been too freely assumed in the course of the discussions over this Bill that all experts as a body are necessarily in favour of particular changes, and that laymen, on the other hand, as a class are opposed to them. When the new régime is inaugurated, it will soon be discovered that it is a great mistake to think so. It is a matter of general experience that the greatest opposition to change has generally come from some of the experts themselves—the older men among the experts, who rarely regard with a friendly eye any proposal to make a departure from the order of things to which they have been long accustomed. The younger experts, on the other hand, always imagine that unless changes of a radical character are introduced so as to reproduce, in however faint a manner, the condition of things with which they were familiar at their own University, the education that is given is not worth imparting. And as the older experts have naturally more influence, their opposition generally prevails, and in course of time the appetite of the younger men for reform gradually disappears. However, my Lord, I am sure the Council is quite weary now of listening to any more arguments about the rule of experts or any other features of the Bill, important or unimportant. Moreover, I have already twice spoken on the general character of the Bill. And I will therefore now proceed to one or two points only, that arise out of this discussion, before I bring my remarks to a close. My Lord, it is to my mind a painful and significant circumstance that the present condemnation of the educated classes has been passed at the instance of men engaged in the work of education. I am astonished that these men do not realize that a part at least of this condemnation is bound to recoil on their own heads. The Hon'ble Mr. Pedler has told the Council of dishonest clerks, unscrupulous managers of Colleges, and convict Graduates. I do hope, or the Hon'ble Member's own sake as much as for the credit of the educated classes, that there has been another and a brighter side to his experience. Else, my Lord, what a sad sense of failure he must carry with him into his retirement! Happily all educationists have not been so unfortunate in their experience nor, if I may say so, so one-sided in their judgments. There have been men among them who have regarded the affection and reverence of their pupils as their most valued possession, who have looked upon the educated classes with a feeling of pride, and who have always stood up for them whenever anyone has ventured to assail them. One such Professor, within my experience, was Dr. Wordsworth, grandson of the great poet—a man honoured and beloved as few Englishmen have been on our side. Another such man is Mr. Selby, whose approaching retirement will inflict a most severe loss on the Education Department of our Presidency. My Lord, I am aware that it is invidious to mention names; but these two men have exercised such

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abiding influence over successive generations of students during their time that I feel no hesitation in offering a special tribute of recognition and gratitude to them. Their hold over the minds of their pupils has been due, not only to their intellectual attainments, but also to their deep sympathy with them as a class which they had helped specially to create. I believe that such men have never had occasion to complain that their views on any subject did not receive at the hands of educated Indians the consideration that was due to them. It is through such men that some of England's best work in India is done; it is these men who present to the Indian mind the best side of English character and English culture. It is such men that are principally wanted for the work of higher education in India in the present state of things, and the best interests of both the rulers and the ruled may safely be entrusted to their keeping. I think, my Lord, there is practically no limit to the influence which a truly great Professor, who adds to his intellectual attainments sympathy and love for his pupils, may exercise over the minds of Indian students, whose natural attitude towards a teacher, inherited through a long course of centuries, is one of profound reverence. The recent Resolution of the Government of India on the subject of education strikes the right note when it says, 'where the problems to be solved are so complex, and the interests at stake so momentous, India is entitled to ask for the highest intellect and culture that either English or Indian seats of learning can furnish for her needs.' If the principle enunciated in this sentence is faithfully acted upon, it will go a long way to counteract the evil which is apprehended from the passage of this Bill. How far, however, this will be done, remains to be seen. Meanwhile, the old order will change, yielding place to new. My Lord, one cannot contemplate without deep emotion the disappearance of this old order; for with all its faults, it had obtained a strong hold on our attachment and our reverence, and round it had sprung up some of our most cherished aspirations. For the present, however, the hands of the clock have been put back; and though this by itself cannot stop the progress of the clock while the spring continues wound and the pendulum swings, there can be no doubt that the work done today in this Council Chamber will be regarded with sorrow all over the country for a long time to come."

The Hon'ble RAI SRI RAM BAHADUR said :—" My Lord, this Bill is a piece of legislation the effect of which will not be of a transient character, but the future generations of this country will be affected by its provisions. Therefore instead of saying the bare word 'no' with regard to the motion before the Council, I would like to make a few remarks with Your Excellency's permission.

"My Lord, the one consideration which ought to outweigh all others in taking in hand any legislation is that its provisions should be framed to supply the needs, and be suitable to the conditions, of the people for whom it is intended. But I regret to say that in the present Bill this principle has been departed from not to an inconsiderable degree.

"My Lord, the five Indian Universities were created at different times for the peoples of the various provinces whose conditions and requirements are so dissimilar. Their sphere of influence has been in quarters far removed from each other, and their growth and development have proceeded on different lines. They all have now been dealt with in one Act and cast in almost one uniform mould.

"My Lord, such a process may advance the cause of centralization, but it cannot adequately meet the varying needs of the people of the several provinces. The Bill, even with the amendments made by the Select Committee, has not been materially improved on points of vital importance; it remains virtually the same as at the time of its introduction. One of the most essential changes which the Bill will bring about will be the making a clear sweep of the existing Senates, and replacing them by Senates of a disproportionately small number of members and with representative element unduly diminished. The reconstitution of the Senates and Syndicates on the lines laid down in the Bill will result in placing the entire control of the Universities in the hands of educational men, among whom for a long time to come there will be a predominance of the European element, which together with the official element will have the upper hand. The analogy of the constitution of the governing bodies of the European and American Universities cannot hold good in the case of those of India. In the European countries and in America, the teachers and the taught belong to the same nationality, the interests of both are identical; public opinion plays a very important part in moulding the conduct of the members of the governing bodies, and any abuse of power can at once be remedied. But circumstances in India are quite different, and any scheme which though thought of with the best of motives, but which actually will result in diminishing the number of non-official Indians on the governing bodies of the Universities and reducing their influence, would be highly detrimental to the real advancement of high education among the Indian youths. My Lord, it is an adequate representation of the Indian element alone which will place the governing body in touch with the people and make that body thoroughly acquainted with the requirements and educational needs of the Indian students. The Senates will be deprived of many of the executive functions which they discharge at present

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and which under this Bill will now be performed by the Syndicate. Even in such important matters as the affiliation or disaffiliation of Colleges, the Senates will now play a secondary part, *viz.*, that of making reports and recommendations, the Syndicates taking the initiative and the Government passing the final orders. The Syndicates of the future will in relation to their Senates occupy the position which, under the present Calcutta Municipality Act, the General Committee of the Corporation has in relation to the Corporation, the real power vesting in the smaller body, and the larger body being relegated to the position of a mere consultative assembly. The general result of the working of this Bill will be to deprive the Universities of even the moderate share of independence enjoyed by them at present, and to completely officialise and convert them into Departments of State.

“Next come the provisions of the Bill which exact a very high standard of efficiency, at the very start, from an institution applying for affiliation to the University. My Lord, I do not advance the proposition that institutions should be affiliated indiscriminately, without some fair standard of efficiency being exacted from them. But I take objection to those provisions of the Bill which require a high degree of efficiency from newly started institutions and which lay down the severe conditions such institutions must fulfil before they can get themselves affiliated. The exacting of such high degree of efficiency beforehand will not only check, but make almost impossible, the coming into existence of indigenous institutions. My Lord, the policy of the Government should be to encourage the starting and develop the growth of such institutions and not to check their coming into existence by exacting from them a degree of efficiency which in the Government institutions, long established, has been attained very slowly and gradually.

“My Lord, the moral taught by the adage ‘Rome was not built in a day’ holds good in the larger things as well as in the smaller ones. The provisions of the Bill will require a College, from its very start, to be completely equipped and fully supplied with all requisites like the Grecian goddess of old who came into existence with the full panoply. My Lord, the history of even the best Government or of aided Colleges of the present day teaches us a different lesson. For the sake of illustration I shall refer to two principal institutions of my Provinces, *viz.*, the Canning College of Lucknow and the Muir Central College of Allahabad, they being the typical instances of the two classes, *viz.*, aided and Government Colleges. Canning College, which imparts instruction in Arts, Sciences, Law and the Oriental languages, was started in a rented house with a small staff of teachers without any boarding house

or laboratory. Gradually it has acquired all the requisites and appliances necessary for a first class College. The Muir Central College, a Government institution which occupies the first place in the United Provinces, cannot boast of better antecedents, and all that we see of it now has been the result of a very slow and gradual growth, extending over a period of nearly 32 years. Government took thirteen years to construct a local habitation for that institution. The College boarding house is still in an unsatisfactory condition.

“My Lord, the now famous despatch of 1854 did, for the first time, lay down the policy which the British Government was to follow towards the people of this country with regard to education in all its branches. The adoption of measures for imparting of high education in suitable institutions and the establishment of Universities for testing the knowledge of, and conferring degrees upon, the Indian youths were along with others enjoined as incumbent duties of the Indian Government. Nearly half a century has passed since, and it is to the vigorous pursuance of the liberal policy laid down in that despatch, assisted by private help, that the people of India are indebted to the spread of high education among them now.

“But, my Lord, I consider it my duty to say that the amount which the Government has contributed towards the cost of the Universities and the maintenance of, and aid to, the institutions for imparting collegiate education, has been totally disproportionate to the real wants and requirements. As noticed by the Indian Universities Commission, the resources of the Indian Universities and Colleges are very small, when compared with the vast endowments of England and America, and the large sums placed by the Government of other countries at the disposal of their Universities. Except the Punjab University, which gets Rs32,000 a year, the other Indian Universities receive no grant whatever from Government. Coming now to the sums which the Government spends on its own collegiate institutions of all classes (general and professional, teaching law, medicine, engineering and agriculture) the amount for the year 1902-03, as given in the Appropriation Report of the Finance Department, came to Rs19,90,000. The sum given in the shape of aid to aided institutions came to Rs2,39,663. (For the later figures I am indebted to the Hon'ble the Finance Minister.) The aggregate sum therefore spent under all three heads, *viz.*, (1) Universities, (2) collegiate institutions maintained by Government, and (3) grants given to aided institutions, comes to Rs22,61,663, which in sterling money comes to £150,777 only. My Lord, the number of collegiate institutions of all classes and imparting instruction of all kinds according to the Universities Commission's Report in India, is 191. The number of students in those institutions is 23,000.

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“My Lord, it cannot be said that the sum spent by Government on high education in India does bear any adequate proportion to the vastness of population, numerical strength of the institutions, and the sum spent by other Governments on the high education of their respective countries. By way of illustration I shall give the figures of grants received by some of the Universities of other countries from their respective Governments. The University of Moscow receives an annual grant of £53,000, that of Vienna £33,000. The Japanese Government gives to the Universities of Tokyo and Kioto, a grant in the currency of that country which comes to nearly ₹19,00,000 a year. The parliamentary grants to the four Scotch Universities, Edinburgh, St. Andrews, Aberdeen and Glasgow for the year 1901 amounted in round numbers to £72,000. We are thankful to Your Excellency's Government for the promised grant of five lakhs of rupees for a period of five years in aid of Universities and Colleges which may establish a special claim to assistance in carrying out the reform which Government have in view. Your Lordship has fully recognized the principle that ‘education is not only one of the foremost duties of Government, but it is perhaps the highest of all,’ and as one of the main objects of Government in passing this Bill is to bring high education under their control to a larger degree, it is hoped that expenditure from the Public Exchequer under this head will be more liberal and sufficient to meet all the requirements.

“But my Lord, neither the passing of legislative enactments nor the reconstitution of the Senates or Syndicates, nor any strictness observed in the affiliation of Colleges, will go much to improve the tone of the education imparted to the Indian youth, so as to bring it to the ideal standard, unless appointments in the tuition staff of the Colleges and especially of Government are given to the best University men. In making such appointments more and better care ought to be exercised and liberal salaries ought to be paid to them than at present.

“My Lord, before I conclude, I would like to say a few words with regard to the criticism often levelled against the products of the Indian Universities. The so-called discontented B.A. is often held up as the typical product, and he is considered, in certain quarters, as a disturbing element in the existing order of things. In the first place, I beg to say that the charge is totally groundless. The Graduate of the Indian University knows far better than the ignorant peasant the advantages which the British rule has conferred on the Indian people, and is therefore a better and more loyal citizen than the unknowing rustic. Secondly, is India alone the country where we meet with the discontented B.A.? Are the centres of education in other civilized countries, which are held up to us as models for imitation, totally free from his presence?

[*Rai Sri Ram Bahadur ; Sir Edward Law ; the* [21ST MARCH, 1904.]
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“The system of education which is in vogue in India is mainly responsible for so many of the Indian youths being compelled to resort to University examinations. The possession of a University certificate is considered not only a passport for entrance into the Government service, but even for employment in private offices and commercial firms. Persons who intend to adopt the profession of medicine or engineering must pass some University examination before their admission into the institutions imparting instruction in those branches ; graduation in arts is necessary before a man can appear for the B. L. examination which alone can qualify him to practise in the High Courts. Whilst in the Inns of Court no such high test is exacted. The number of University examinees will go on increasing until a differentiation in the system of education from the very beginning is adopted, so that those who have a bent for literary pursuits may adopt one course, and those who want to enter into commercial and other lines may adopt a different one.”

The Hon'ble SIR EDWARD LAW said :—“My Lord, the Hon'ble Member has just mentioned some figures of expenditure. I am not able to check exactly what he said, but I can give some figures which will show that the expenditure is increasing and is, I fancy, a very much larger figure than he imagines. In our accounts for 1902-03 under the head ‘Education’ (and this does not by any means include the total amount spent on Education since there are contributions from Municipalities and other special funds devoted to the purpose), the direct Imperial contribution was £1,297,664 ; and in the revised estimate for 1903-04 we get up to a figure of £1,378,200, whilst in our Budget Estimate we anticipate a very considerable further increase.”

His Honour THE LIEUTENANT-GOVERNOR said :—“My Lord, I should like to make a few remarks on this Bill before the motion is put. I do not consider it necessary to enter into any discussion of the educational policy which has been pursued in Bengal, or to follow either my Hon'ble friend Dr. Asutosh Mukhopadhyaya or my Hon'ble friend Mr. Pedler in this matter. The only thing in this connection that I should like to say is this, that while such a discussion may be more or less irrelevant to the question which is immediately before us, there are times and occasions when it should be distinctly relevant ; and I shall be very glad to receive in the local Council any ‘inconvenient questions’ (I use the Hon'ble Member's own words) which Dr. Mukhopadhyaya may have to put on the subject. I can only express the hope that when I go on, as perhaps it may be necessary to do, to improve education on the lines which he has suggested, and when the natural criticism finds its place in the

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Native Press, that I am giving 'fat appointments' to Europeans, I shall find the same vigorous support on the part of the learned Doctor as he has given to the proposals in this Council.

"There is another remark which I should like to make of a general character, and it is this, that I do feel that it is misleading (and I think perhaps that I am a little sensitive on that point) I do think that it is misleading for one Hon'ble Member to say that an amendment shared 'the common fate of all other amendments' and for another Hon'ble Member to say that the result of this discussion is that those who are opposed to some of the principles of this Bill 'have had no gains, and have lost all along the line.' I think it is misleading, because it conveys an absolutely erroneous impression of the nature of the discussion that has been taking place. It seems to me that we must bear in mind that it is necessary that we should not convey in this respect an unfair and prejudiced impression to the public. What has been taking place for the last three days has been a discussion on a Bill which has been thoroughly threshed out in Committee. Even so, several amendments have been accepted; but the point to which I wish to draw attention is this, that even if no amendments had been accepted, that would not mean that due attention had not been given to the views of those who moved those amendments, but that, having been thoroughly considered in Committee, these amendments had been rejected.

"And now, my Lord, I should like to say a few words in regard to the Bill itself. First of all, in regard to the need for reform. I have the very strongest feeling that there has been a great need for reform, and I do not believe that there is any man, European or Indian, who is thoroughly interested in education, who does not share that view. I am very far from any sweeping condemnation of higher education as we have had experience of it during the thirty years that I have spent in this country. I came fresh from a University and believing very much in University education, and I have taken great interest in higher education and University education ever since I came to the country. I have not the slightest hesitation in saying that higher education has made great progress in the country since I came to India thirty years ago. I know, and am perfectly persuaded, that there has been great improvement in the learned professions, and in the class of men whom we are now able to enlist in the Provincial Service, and in the other services of Government which enlist Indians; and I attribute this to the progress of higher education, in large measure indeed almost entirely to the progress of higher education; and much of the credit of these improvements must go of course to the Universities. But I am bound to say that, while these are my views, and while I have the greatest sympathy in the work that has been and is being

carried on by the Universities, yet at the same time my experience shows me that the result of the University examinations is in many respects good, but is altogether uncertain; that we have men who come up from some Colleges whose capacity and character shows that they have received instruction under such conditions as make it likely that that instruction will be sound instruction, and that the development of their character, their moral and intellectual capacity, has been the object of the College. But there are men who come up showing very different character and qualifications; and I think that the idea that the University should be an examining body, and that it should not take care to supervise and control the agencies which carry on education so as to see that the instruction imparted will be sound, and that the education will have regard to morality as well as intellect, must lead to failure and in many cases to what is absolute scandal. Now, of course, I thoroughly share the views that have been expressed by the Hon'ble Mr. Morison, that in dealing with defective Colleges we must proceed slowly; but I altogether differ from the view that such Colleges hurt none but their own own students. I think they have a tendency to deteriorate the whole course of education, and they altogether deprive University degrees of their value. Furthermore, even if they only hurt their own students, why should the University give its imprimatur to an education which we believe to be hurtful? It is impossible to meet this state of things by legislation alone, but what this Bill aims at is to meet three existing defects, and if these are effectively remedied, the Universities will be left to carry on a course of work which will be free from the defects, which at all events may be free from the defects, which have characterised the Universities in the past.

"The first of these provisions of the Bill is in regard to teaching. Now here all that the Bill does is to lay down the principle that the Universities should be, or may be, teaching institutions. Surely it is impossible to go further than this. Apart from suggestions regarding private liberality, we have had three proposals made to us whereby to promote this object of the Bill, and I should think that two of them at least may be deservedly set aside. The one is the proposal to exact a certain contribution from Fellows from year to year for the discharge of their onerous duties. The other is the Hon'ble Mr. Morison's proposal that dinners and garden parties to Commissioners and Collectors should be given up. Now I suppose the first proposal would give straight away about Rs. 5,000 a year. The other proposal, as far as my experience goes, would not have given to any College in the Central Provinces five rupees or even five annas a year. As to these dinners or garden parties to Collectors or Commissioners, I am not certain that I should not welcome them from a social point of view.

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I have no experience of any abuse in this direction. What the experience of others is I do not know, but no dinner party was ever got up for me by any Native gentleman in my Province, nor even a garden party, until I became the Head of the Government.

“The third proposal is that the Government should give some money for the advancement of University education. This is clearly a matter which cannot be dealt with in the Bill; but the fact that this point about the Universities being teaching institutions is contained in the Bill, practically pledges the Government to help forward the matter.

“The second provision of the Bill is to give a working constitution to the Universities, and powers to supervise and control the agencies engaged in imparting higher education. Now, in regard to this working constitution, I should like to say that I do not regard the constitution as laid down in this Bill as ideal and final. I am pleased to find in the Minute of Dissent recorded by Mr. Gokhale that he admits that the ‘statutory provision for the election of two Fellows every year by Graduates in the older Universities is an improvement on the existing practice which derives its authority from a mere executive order of Government.’ There is undoubtedly an advance in the Bill as compared with any previous legislation on the subject. But I admit at once that it does not go so far as I should be very glad some day to see legislation go in this direction. It is not ideal legislation, but, as the Hon’ble Member in charge of the Bill has said, it is what has been adopted for the present; it is as far as the Government sees it safe to go now, and the Government is bound to judge, it seems to me, not by what we hope may result from the provisions of this Bill, but by what now exists. Legislation must be in accordance with existing circumstances, not in accordance with hopes of the future. We heard a very solemn warning addressed to Your Excellency and Your Excellency’s Government by the Hon’ble Dr. Mukhopadhyaya, with all the vehemence and solemnity which might have characterised a Hebrew prophet, when he told you that if you refused to carry out a greater popularising of this Bill now, there would arise another Viceroy and another Government that would do it, and to whom all the credit would redound. I do not know whether, if the policy of this Bill were developed, it would be in accordance with human nature that all the credit would be given to those who developed the policy; but I am perfectly certain of this, that when that policy is developed, and when it becomes reasonable and right to extend the principles now laid down in the Bill in regard to representation, I am perfectly certain that those who will hail with most satisfaction that development of policy will be Your Excellency and the Members of Your Excellency’s Government.

"There is only one other point to which I desire to draw attention, and it is this: the powers which are given to supervise and control the agencies now engaged in higher education. Far and away the most important of these are the powers connected with affiliation and disaffiliation; but in connection with these there is also the power connected with inspection. In affiliation and disaffiliation, the Universities act in concert with the Local Government; in regard to inspection we have the University acting alone. Now, it seems to me that this power of inspection is precisely what you want between affiliation and disaffiliation. You want the Universities to be kept in constant touch with what is going on in the Colleges to which they have been affiliated. You want to have a living touch between the University and the College throughout the whole of its existence in affiliation. You want affiliation to be a continuing relation. You want the University to be kept aware of what is going on in the College, always to know how the College acts up to the conditions of its affiliation, and you also want to be able to carry the news of any particular advancement in education of any particular College into other Colleges.

"Now, it seems to me, my Lord, that this work of affiliation and disaffiliation must rest for the present at least where it has been placed. I must say that I am rather surprised to find that men of great logical acumen are perfectly prepared to accept the view that, when the Syndicate and the Senate are prepared to act, then they must go to Government; but when they decline to act, then Government cannot interfere; that is to say, that when the Syndicate and the Senate act, their action is to be subject to control because it may be wrong; but when they decline to act their inaction is to be final, because inaction must apparently always be right. It was not exactly so put, but it was put almost in the same words, when it was said that a small matter like refusing to affiliate might surely be left to the Syndicate and the Senate. A small matter! It is a very great matter indeed, and a matter in which experience shows that the Syndicate and Senate are as likely to go wrong as when they take action, and I say that legislation must deal with the facts as they exist. I say that experience does not show the propriety, the wisdom, or the expediency of leaving inaction in regard to disaffiliation as a thing to be settled by the University alone.

"Now, my Lord, I hope that I have not detained the Council too long with these remarks. I desire to conclude by joining in the congratulation that has been offered to Your Excellency's Government at this last stage of the proceedings, and especially to the Hon'ble Member in charge of the Bill. I feel very strongly that it must be a source of great satisfaction and gratification to him that this Bill will find its place in the Statute Book before he leaves the

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country. And because he is a very old friend, and indeed I may say a school fellow, of my own, I take the opportunity of congratulating him very heartily in this public manner.

"I would also express this hope that, when this Bill has been passed, it will form a basis of action in the future, and that we shall all pull together in doing all we can to advance the cause of higher education which lies as nearly to the heart of the Government as it does to the heart of any of those who have been, but will (I trust) no longer be, the opponents of this Bill."

The Hon'ble MR. RALEIGH said :—"It may seem strange that at this important moment in the history of the Bill the Member in charge should have little or nothing to say, but the duty committed to me was the controversial defence of the Bill and all the speeches of today show much to my satisfaction that we are passing out of the stage of controversy. When I compare the continuous fusillade of Friday and Saturday to the mildly reflective character of most of the speeches to which we have just been listening, I feel that all our minds are really made up and that even those who have opposed this Bill will accept it when passed in a reasonable spirit. In fact, I confidently expect to find among them our most valuable advisers and helpers in the future.

"My Hon'ble friend Dr. Mukhopadhyaya is, as I understand, not an enemy, but a critic of this Bill, and no man has a better right to criticise it, because it is in large part his own work. Dr. Mukhopadhyaya has expressed a natural regret that he did not get even more of his own way in the Select Committee. I will ask him to believe that on some points I should have been glad to give him a little more of his own way, but for this one practical consideration that I had to trim the ship and carry her into harbour. So far as the Hon'ble Dr. Mukhopadhyaya's speech introduced new matter into the debate, it was matter that concerned the Government of Bengal: the Hon'ble Mr. Pedler and His Honour the Lieutenant-Governor have shown that Bengal is well able to defend herself. The first speech which I think distinctly committed the Hon'ble Member who delivered it to rejection of the Bill was that of the Hon'ble Nawab Saiyid Muhammad, and the conclusion of the whole matter after he had given us his arguments against this Bill was that the present system of University education should have a further trial. I have some difficulty in realising exactly what that advice would commit us to. Ten or twenty years of inaction: then another Universities Commission: another report: another agitation: and another Bill, bringing us perhaps in twenty years time to the point where we are today. I think myself that for many reasons the present is the suitable moment for action, and that we shall do wrong if we allow it to slip.

"The Hon'ble Mr. Gokhale maintains his opposition to the Bill, but as the grounds which he gave are grounds which I have already had to deal with in the course of the debate, he will perhaps excuse me if I do not attempt at present any further reply. There were, however, one or two points in his speech which showed that he still misunderstands the Government on certain very important points. He spoke, for instance, of the condemnation—he implied that it was an unqualified and unfairly severe condemnation—which we passed on the existing system of University education. Now, from the very start of his discussion there has been nothing that I have had more at heart than to avoid the language of condemnation or disparagement as applied to any individual, College of University in India, and Hon'ble Members of Council are aware that as often as I have had to speak of a particular University, as, for instance, when it was proposed to take one University after another out of the Bill, I have always begun by acknowledging the excellent work done by these Universities in the past. I would ask the Hon'ble Mr. Gokhale to admit that the acknowledgment was perfectly sincere. The Hon'ble Mr. Gokhale goes on to suggest that we have passed this unfair condemnation on the evidence of the people to whom he refers, with an air of resentment which I cannot quite understand, as experts. He seems to think that certain persons usurping the name of educationalists have got hold of the Government and have persuaded them to attack the Universities. The evidence taken by the Universities Commission is not in the hands of the public, and therefore I have often much to my regret been obliged to refrain from quoting it; but I would ask the Hon'ble Mr. Gokhale to take from me this general assurance that the strongest evidence as to the necessity for reform in the Universities was not the evidence of College teachers, but the evidence of Judges, Pleaders, Doctors and professional men, who had received their own education in Indian Colleges, who were attached by local sentiment to their own Colleges and Universities, and who yet felt that these Universities and Colleges had failed to a certain extent to answer the purposes of their foundation, and agreed that the moment had come to deal with them.

"There was one other phrase of the Hon'ble Mr. Gokhale's which I wish to notice because I think it embodies another erroneous view of the whole situation as it is today. He spoke of the disappearance of the old order and seemed to imagine that the old Universities were going out of sight, and that some brand new invention of the present Administration was going to take their place. I demur to that altogether. I have quoted again and again, in support of the proposals which I have asked this Council to accept, the evidence of men in the very forefront of University work, and therefore I have

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the right to say that, although in some points we are introducing a new order, we carry forward into that new order the very best of the old.

“The Hon’ble Rai Sri Ram Bahadur is full of misgivings about this Bill, because he thinks we are destroying the representative character of the Senate and putting the authorities of the University out of touch with the people. I have had occasion to say before in the course of these debates that the word ‘representative’ is one which in connection with Universities requires to be used with some care. We do not profess that we are creating a Senate which will represent every class of the community, or which will represent classes according to their numerical proportion or the interests which they have at stake in University education. We desire to make the Senate representative of the best academic opinion of the provinces for which it acts, and in selecting a Senate on that principle we intend to use all possible care to do justice to communities, to classes of people and to races; and I contend that if this Bill at all answers the purpose of those by whom it has been framed, then the Senate of the future will be more and not less representative than it has been in the past.

“My Lord, these are all the points which I think the Member in charge of the Bill is called upon to answer before we proceed to vote. Many suggestions have been thrown out in regard to the general educational policy of the Government; but it does not fall within my province to deal with the general question. I am content to say that the whole of this discussion confirms me in the belief that this Bill was originally framed on sound and useful lines, that it has been greatly improved by the attention given to it by the Select Committee, and that the Council may now pass it into law with a confident hope that we are placing a powerful instrument for good in the hands of the friends of higher education in this country.”

His Excellency THE PRESIDENT said:—“We have now reached the final stage of a controversy that has been going on for nearly five years; and we are about to pass into law a Bill which is intended to have, and which I believe will have, a profound effect upon the future of the Indian people. It might be thought that there is no matter upon which public opinion ought to be more unanimous than reform in education. The subject is so tremendous, so vital, I may almost say so sacred; and yet experience shows that there is no subject in all countries upon which thoughtful and patriotic men are more sharply divided, and that education shares with theology the distinction of provoking

passions and recrimination almost beyond any other human concern. Such has, to some extent, been our fate in India in respect of this Bill. A great many hard and some bitter things have been said of the Government in the discussion of the last few years. I wish at this final stage to pass the sponge over these. No reform in India can be achieved without a prolonged and often painful struggle, and no reformer, as I know, can quit the field without his scars. On the present occasion my desire is rather to present to the public, and even to those Hon'ble Members who have conducted the fight against us with so much assiduity, and I would add, with reference more particularly to this concluding debate, with so much equanimity and self-control, a view of our action which even, if it does not mitigate their suspicion, will perhaps lead them to recognise that the Government have been proceeding throughout upon principles as clear, as definite, and as honest as any which it is possible for men to entertain. I will not go back into the old story of the state into which University education had fallen in India. When I first came out here, I was implored to take it up by many of those who have since fought the hardest against the changes for which they then appealed. Nothing would have been easier than to let it alone. Matters would merely have gone drifting along. The rush of immature striplings to our Indian Universities, not to learn but to earn, would have continued till it became an avalanche ultimately bringing the entire educational fabric down to the ground. Colleges might have been left to multiply without regard to any criterion either of necessity or merit; the examination curse would have tightened its grip upon the life of the rising generation; standards would have sunk lower and lower. The output would have steadily swollen in volume, at the cost of all that education ought to mean: and one day India would have awakened to the fact that she had for years been bartering her intellectual heritage for the proverbial mess of pottage, and no more. My Hon'ble Colleague, Mr. Raleigh, and I set ourselves to defeat this destiny. I venture to say that no one of the many distinguished Englishmen who have come out to serve in India have been imbued with a greater enthusiasm for education or a finer grasp of the academic ideal than he. His perfect knowledge and admirable temper have been freely illustrated in the debate that is now drawing to a close, and when the day comes, as it will come, when the country will rejoice that a Government of India was found with the courage to take up this problem, it will also congratulate itself that the main burden was committed to such capable hands.

“What is the principal charge that has been reiterated at all stages of this debate, inspiring the majority of amendments, and pointing every peroration? Is it not that this Bill is merely intended to rivet the control of Government upon

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the Indian Universities, and that our reforms, however well meaning, are misguided and will not succeed, because they place in the hands of Government what ought to be entrusted to others? This is the first point that I should like to discuss.

"In so far as the charge is to the effect that Government has taken the power of the last word in the entire programme of reconstruction, it is true, and this is, in my opinion, the best guarantee that the programme will not be inoperative. I constantly regret that Government is compelled to be so dominant a factor in the settlement of Indian problems. I feel of the Government in India, what Wordsworth said of the material world, namely, that it is too much with us. But so it is, and so for long it will remain. Where so many divergent interests and classes exist, there are required the combined control and stimulus of some powerful and impartial central force, and there is no force in India that answers to that description, at any rate at the present stage of Indian evolution, except the Government. The consequence is that, though this is a country where everybody claims the liberty to denounce the Government for what it does, everybody also appeals to the Government who wants anything to be done. I often see it supposed that because we have to do so much, we therefore think that we are right in all that we do. No one connected with the Government would, I am sure, make so absurd a claim. Governments are very apt to err, and we assuredly claim no immunity from the general law. But the fact remains that if progress is desired in any branch of the national development, the Government is compelled to associate itself with the task, and to exert itself strongly in the desired direction. If the Government had not taken up this particular problem of higher education, I ask therefore who would have done it, and if we had not made ourselves responsible for seeing it through, who will give me any guarantees that it would not have proved abortive? Even the Hon'ble Mr. Gokhale, who is the strongest opponent of Government interference, said in his note of dissent that if University chairs, laboratories, and museums had to be provided, the money would have to be found by Government. Exactly, but why? There is plenty of wealth among his own countrymen if they are willing to devote it to these objects: as I am myself hopeful that they will one day do. Dr. Mukhopadhyaya said that they would not come forward because of this Bill. Is he quite sure that they came forward before? Anyhow I should be slow to believe that they will be actuated by such petty motives. Again in his speech in December last the Hon'ble Mr. Gokhale gave us his own idea of University reform, which was that the Government should reform its own Colleges. Once more, it was the

Government, not private enterprise, or public opinion that was to move. It is futile, therefore, to attack Government for exercising a final control in these matters, when you know perfectly well that there is no one else to do it, and when in the same breath you appeal to Government to do what you are unable or unwilling to do yourselves.

"In the concrete cases contained in this Bill, it does not, in my opinion, involve any unreasonable distrust of the new Senates or Syndicates that the Government should claim the last voice in affiliation or disaffiliation, or in the formation of the important body of rules. I daresay Government will not require to interfere at all. Anyone who imagines that we are likely to embark upon a policy of actively quarrelling with the Senates and humiliating them, must think either that we are very curious parents or that we have a great deal of spare time on our hands. It is quite likely that the Senates and Syndicates will be perfectly competent to stand by themselves, and will make no mistakes. I firmly hope that this will be the case. But if it is not, and, until they are created, the matter must necessarily be in doubt—the Government must in common prudence retain the power which it has done. I rather wish that those Hon'ble Members who are so satisfied with the constitution of 1857, that they deprecate any departure from it, would look back to the first list of Fellows of the Calcutta University, and to the part that was claimed by Government in the control of the University, at that time. Out of the first Senate of 30, all but 5 were Europeans, and out of the 5 Indians 4 were officials. It seems to me that we have marched a long way forward since those days, and not in the direction of Government control, but away from it.

"There are two other criticisms which I have heard in these debates to which I take leave to demur. The first is Mr. Gokhale's assumption, repeated more than once, that it is the desire and intention of Government to place the Indian element in so hopeless a minority on the future Senates as to dissociate them for all practical purposes from the government of the University. Why should he assume this to be the case? What does he know of the way in which the various Chancellors will exercise their prerogative? What do any of us know until we see? I once before upbraided Mr. Gokhale with the suspicion with which he regards our proposals, and he was rather pained at my reproach. But I could not point to a more striking instance of gratuitous suspicion than this. Let me remind him further that it is not while Europeans but while his own countrymen have enjoyed the practical monopoly of a power upon the Senates that matters, at least in the University which I know best, have reached a stage which calls so urgently for reform. Up to a quarter of a century

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ago the Europeans were in an immense majority upon the Calcutta Senate. But during the last fifteen years the balance has veered in the opposite direction, and the majority has been overwhelmingly native. Is the Hon'ble Member so satisfied with the state of affairs that has accompanied this change—I will not go so far as to say that it has been wholly the consequence of it—as to claim that the Indian element should be placed in a position of permanent predominance in the future? His second argument, which I think rather an ungenerous one, is that the control of the Universities ought not to be placed in the hands of those whose interest in this country is only a temporary one. Only temporary—yes, but there is many an Englishman who gives thirty-five years of the best of his life to this country, and who is willing to work himself even unto death for the sake of duty to an alien people. Are the Indians quite confident that there would be many of them willing in the converse case to do the same? I venture to think that, if there were set down in two tables the services that have been rendered to India by her temporary and her permanent friends, the former would not come so badly out of the comparison.

“Now let me suppose for a moment that Government had the design that has been attributed to us by our critics, *viz.*, to officialise the Universities, and to render them merely a department of the State. There are a few questions that I should like to put in that case. If this was our intention, I have been wondering why we did not make a much better business of it while we were about it? Why should we have given away 20 per cent. of the new Senates to election? Why should we have gone out of our way to create for them a far wider and more popular electorate than now exists in any Indian University—an electorate which is a concession to an almost unanimous public demand, but which I should not be surprised if public opinion itself will one day find cause to regret. Why did we not insist upon bringing the Director of Public Instruction everywhere to the front? Why did we agree on Friday last that the Chancellor's choice of Fellows should be fettered by restrictions as to two-fifths being drawn from the teaching profession? Why have we left so much to the Senates in respect of the regulations instead of doing it at once ourselves? And why, above all, did we not tighten our clutch upon each University by passing a special Act for it, in which we could have brought it finally and effectively under our thumb? The argument to which I listened in this debate about the separate Acts for the separate Universities seemed to me a most surprising one. It must surely be quite clear that a series of individual Acts must have been much more stringent than a general one, inasmuch as we only apply in the

latter what is common to all, and leave to each University to frame its own regulations in accordance with its own needs, and subject only to Government sanction. Our object, indeed, may be defined in Lord Macaulay's well-known dictum about the Indian Codes: 'Uniformity when we can have it; diversity when we must have it; but in all cases certainty.' And yet the same Hon'ble Members who complain of Government interference in general are those who complain of us for not having exerted it in each of these particular cases. As a matter of fact the charge that Government secretly desires to officialise the Universities breaks down the moment that it is closely examined; for it is inconceivable, if that were our real object, that we should have done it in so clumsy and imperfect a fashion. My own view, therefore, of Government interference is that we have taken the powers, if we did not already possess them—and it has frequently been pointed out that they are already implied, if not actually given, in the original Acts of Incorporation—that are absolutely necessary to ensure that the new reforms shall be given a fair trial, and that they shall not be broken down by any hostile or unfriendly influences. As soon, however, as the new Senates have started on their way, and the new regulations been approved, my belief is that Government will be able very soon to relax its control. The reason is two-fold. If you will look at the Bill, you will see that a very large measure of independence is left to the Senates, and that the real power for the future will be vested in them. Secondly, the last thing that the Government can want is to go on dry-nursing the Senates for ever. The stronger and more influential they become—provided they do not fall a prey to sectarian animosities or to sectional intrigues—the better will Government be pleased. The ideal that we look forward to is that of self-governing institutions watched parentally by the Government in the background. If the institutions play their part, the control will be nominal. If they do not, it will be there as a check.

"I dealt at an earlier stage of the debate with our insistence upon a five years' term of Fellowship, and need not repeat the arguments which I there employed. But here, again, I think that there is a certain inconsistency in the position of our critics. For if they are right in arguing that Government desires only to put its own puppets upon the Senates, and is certain to resent independence of any description, surely it would be better, from our point of view, to have a ten years' puppet or a lifelong puppet than a five years' puppet. But the point is not really worth pursuing. The whole tenor of this discussion, and the successive changes that have been introduced into the original Bill, must surely, by this time, have convinced our critics that what we want

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to get is not a servile Senate, but an expert Senate, not one of place-hunters, but of educationalists. The argument has been constantly employed that future Chancellors or Vice-Chancellors here or elsewhere may not happen to take the same interest in education that Mr. Raleigh and I are generously credited with doing. If that be the case, so much the more likely are they to leave the educationalists alone, and to let the new Senates stand or fall on their own account.

“Then we come to the point about affiliation and disaffiliation. Here, again, the same distrust has been expressed, and a picture is drawn of Government intervening in order to exact impossible tests from struggling or impoverished institutions. I am tempted to make two remarks about this. Firstly, the Hon’ble Members, to whom I am referring, in their anxiety to depict the dangers ahead, have been relatively silent as to the shortcomings and blunders behind. I make one exception. In one of his speeches this morning, the Hon’ble Dr. Mukhopadhyaya let in a few rays of cold light upon some of the strange proceedings of the Bengal Colleges in recent years. Now, why has greater stringency in respect of affiliation and disaffiliation been called for? Because, at any rate in some parts of the country, there has been the most culpable laxity in both respects in the past. Many wholly unworthy institutions have been allowed the privilege of affiliation, and have retained it for years. Except in extreme cases it would have been useless to go to the Senates for drastic remedies; for the Senates, under the influences to which I have referred, would have refused to move. It requires but the slightest acquaintance with the facts to know that in many affiliated institutions the professors and teachers have been underpaid, the appliances inadequate, the buildings insanitary and unsuitable, the teaching superficial, and the College banking account very likely insolvent. And this brings me to my second point. Our Bill contains provisions expressly designed to check this state of things in the future. The conditions that are henceforward to be required for affiliation are contained in clause 21 of the Bill. They are couched in the most reasonable terms, and have been invested with an elasticity that might even be thought likely to render them ineffective. Let us suppose that some visitor from a foreign clime were to come to India and to be shown this clause. I venture to say that his first remark would be one of astonishment that these provisions had not been insisted upon for years; and if he were then told that upon being introduced in this Bill, they had excited no small amount of suspicion and alarm among a certain section of the population, he would reply that the sooner such people were guided into a proper frame of mind the better. It is at the bad and unworthy institutions that this clause is aimed: not at the young and

struggling venture. Advanced standards are no more likely to be exacted from the latter, than we demand the muscles or the character of a man from a boy. It is not the weak but earnest aspirant that will suffer. But the hoary offender—well, I rather differ from the Hon'ble Mr. Morison, for I hope that we shall bring him down. I certainly do not contemplate any campaign of what he described as general suppression. But there is something I think even worse than that, and it is a policy of impotent condonation, excused by the mistaken plea that the transgressor only injures himself.

“As regards the general character of our Bill I think that its moderation might not unreasonably be deduced from the fact that such entirely opposite and contradictory verdicts have been passed upon it by its critics. While some of the Native Members here have been denouncing it as a retrograde and pernicious measure, I have seen it described elsewhere as a barren and petty effort, more fit for ridicule than for indignation. Both of these estimates cannot be true, and both are obviously coloured by party predilections. Those who characterise it as retrograde merely mean that the progress which it must lead to is not precisely in the direction which they would like. Those who denounce its ineptitude have failed, I think, to recognize that the Bill does not itself sum up the history or the capacities of reform; but that these are not obscurely concealed in the consequences that will immediately flow from it. The Universities Commission dealt with many subjects, besides constitutional reconstruction. If you refer to their Report, you will find entire sections—amounting to nearly two-thirds of the whole—devoted to the subject of teaching, to courses of study, and to the nature and conduct of examinations. All of these matters we have excluded from this Bill. But they have not, therefore, been ignored or lost sight of, and clause 25 of the Bill, which provides for the regulations to be drawn up within a year of the passing of the Act, is, in my view, almost its most momentous section. This is a point of which I think that public opinion has scarcely grasped the full meaning. The truth is that this Bill only raises the walls of the new house; it does not furnish its chambers. Or let me put it in another way. We provide the machinery for reform; but we leave the Universities to carry it out. We give them new governing bodies as competent for the purpose as we think that we can make them in India,—anyhow incomparably more competent than any that have hitherto existed,—we invest these reconstituted bodies with adequate powers, and we bid them discharge the task. Here, again, may I not ask, if Government had been so avaricious of control, would it not have been simple for us to have grasped all this in the Bill, and to have laid down the law once

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[*The President.*]

for all as to Faculties, and Boards of Studies, and examinations, and curricula, and fees? And yet, to the confounding of our critics, not only have all these immensely important subjects been left to the Universities under the Bill, but they have actually been left to be dealt with in a different way in each University according to its own circumstances and needs. This seems to me to deal the final death-blow to the theory of Government autocracy, which, having played to the full the part that was expected of it in these debates, may now, I hope, be allowed to expire.

“On the whole, however, I think that the most remarkable feature of the debate has been the striking contrast that it has presented in its concluding stages to the declamation of less responsible criticism outside. I did indeed make a special effort by the composition of this Council to provide for the consideration of the Bill by the most competent body, European and Native, that I could procure. A more representative assembly for the special purposes of an individual Bill has, I believe, never taken its seat at this table. And what has the discussion by these experts shown? Indian opinion has not been ranged exclusively on one side, and European on the other. This Bill has received its strongest support from some of the Indian gentlemen who are here. We have still in our recollection the bold and emphatic testimony that was borne by that veteran educationalist, Dr. Bhandarkar. Mr. Bose gave the weight of his thoughtful support to the Bill. Some of those Hon’ble Members who have been our most constant critics have not concealed their frank sympathy with many of the objects and provisions of our Bill. The Hon’ble Dr. Mukhopadhyaya’s final speech was, in my view, a conclusive admission of its necessity. The Hon’ble Mr. Gokhale’s concluding remarks were in the nature of an exception, and I think that everyone of us must have been startled at the sharp contrast between the tone of those remarks and all the speeches that had preceded. After doing his best at an earlier stage of the Bill, and with success, to place experts in a majority on the Senates of the future, he indulged in a denunciation of experts which seemed to me not quite gracious or apposite. Alone of all of us he also has made the discovery that this Bill involves a condemnation of the educated classes in India without a fair hearing. Without a fair hearing! They have been talking for five years, and we have been listening for five years. We have given to their representations a hearing unprecedented in length and in consideration. As for the condemnation of the educated classes, it is sufficient for me to confront the Hon’ble Member with the opinion of the Hon’ble Dr. Bhandarkar, at whose feet Mr. Gokhale told us that he himself once sat, and of the Hon’ble Mr. Bose.

They welcome this Bill, not as a condemnation of the educated classes of their countrymen, but as a decree of emancipation which will free the energies and activities of those classes from the clogs and fetters that have done so much to drag them down.

“ Finally, we have had the unanimous and enthusiastic witness of the European educationalists on the Council, who see in the passing of this measure a great and important step forward in the progress of the education to which they have devoted their lives. I think, therefore, that this has been a most instructive debate ; and I shall leave this Council room today with the gratified consciousness that we are placing upon the Statute-book an enactment that is welcomed and valued by the leading authorities to whom it has been in our power to refer.

“ I will not further detain the Council, I am not so sanguine as to think that, because we pass this Bill, a new heaven and a new earth will straight away dawn upon higher education in India. We shall still be confronted with conditions inseparable from Indian character, Indian economics, and Indian life. Other reformers will be called for after us, and will perhaps do better work than we. But our effort will mark a definite stage in the educational advancement of the country : it will check tendencies that were leading to demoralisation, if not to ruin ; and it will provide opportunities which it will rest with others, Indian as well as European, to turn to good use when we have disappeared and are forgotten.”

The motion was put and agreed to.

The Council adjourned to Wednesday, the 23rd March, 1904.

CALCUTTA ;
The 11 March, 1904. }

J. M. MACPHERSON,
Secretary to the Government of India,
Legislative Department.

Proceedings of the Council of the Governor General of India, assembled for the purpose of making Laws and Regulations under the provisions of the Indian Councils Acts, 1861 and 1892 (24 & 25 Vict., Cap. 67, and 55 & 56 Vict., Cap. 14).

The Council met at Government House, Calcutta, on Wednesday, the 23rd March, 1904.

PRESENT :

His Excellency Baron Curzon, P.C., G.M.S.I., G.M.I.E., Viceroy and Governor General of India, *presiding*.

His Honour Sir A. H. L. Fraser, K.C.S.I., Lieutenant-Governor of Bengal.

His Excellency General Viscount Kitchener of Khartoum, G.C.B., O.M. G.C.M.G., Commander-in-Chief in India.

The Hon'ble Mr. T. Raleigh, C.S.I.

The Hon'ble Sir E. F.G. Law, K.C.M.G., C.S.I.

The Hon'ble Major-General Sir E. R. Elles, K.C.B., K.C.I.E.

The Hon'ble Sir A. T. Arundel, K.C.S.I.

The Hon'ble Sir Denzil Ibbetson, K.C.S.I.

The Hon'ble Rai Sri Ram Bahadur.

The Hon'ble Mr. A. W. Cruickshank, C.S.I.

His Highness Raja Sir Surindar Bikram Prakash Bahadur, K.C.S.I., of Sirmur.

His Highness Agha Sir Sultan Muhammad Shah, Agha Khan, G.C.I.E.

The Hon'ble Mr. Gopal Krishna Gokhale, C.I.E.

The Hon'ble Mr. E. Cable.

The Hon'ble Nawab Saiyid Muhammad Sahib Bahadur.

The Hon'ble Mr. H. Adamson, C.S.I.

The Hon'ble Mr. A. Pedler, C.I.E., F.R.S.

The Hon'ble Mr. T. Morison.

The Hon'ble Dr. Ramkrishna Gopal Bhandarkar.

The Hon'ble Mr. J. B. Bilderbeck.

The Hon'ble Mr. D. M. Hamilton.

The Hon'ble Rai Bahadur B. K. Bose, C.I.E.

The Hon'ble Dr. Asutosh Mukhopadhyaya, D.L., F.R.A.S., F.R.S.E.

[*Dr. Asutosh Mukhopadhyaya; Sir Denzil Ibbetson.*] [23RD MARCH, 1904.]

QUESTIONS AND ANSWERS.

The Hon'ble DR. ASUTOSH MUKHOPADHYAYA asked:—

"Will the Government be pleased to furnish a statement shewing, for each province of British India, the amount of land-tax paid or payable by the cultivators in normal years for the use of their lands,—

(a) to the Government in raiyatwari tracts;

(b) to zamindars in zamindari tracts?"

The Hon'ble SIR DENZIL IBBETSON replied:—

"Full information as to the amount of land-revenue annually paid to Government, with details distinguishing between zamindari and raiyatwari areas, will be found in Table No. 5 of the 'Agricultural Statistics' of India which are published each year by the Director General of Statistics. The figures must be taken subject to the 'explanatory notes' which are prefixed to the tables. The Government are unable to give figures for the rent annually paid by cultivators to zamindars in zamindari tracts."

The Hon'ble DR. ASUTOSH MUKHOPADHYAYA asked:—

"Will the Government be pleased to furnish a statement shewing the percentage of the total number of cultivators on the total population of British India?"

The Hon'ble SIR DENZIL IBBETSON replied:—

"The percentages of agricultural to total population are given in the statement at page 242 of Vol. I, Part I, of the Census Report of India which has just been published. The detailed figures will be found in Table No. XV, Parts II and III, in Vol. I A of the Report, and are discussed in Chapter VI of the Report itself. No further separation of actual cultivators from agricultural population than will be found in these references is possible."

The Hon'ble DR. ASUTOSH MUKHOPADHYAYA asked:—

"Will the Government be pleased to state when and for what reasons the existing system of shewing the *expenditure* for the 'reduction or avoidance of debt' under the head 'Famine Relief and Insurance' came to be introduced?"

[*Dr. Asutosh Mukhopadhyaya ; Sir Edward* [23RD MARCH, 1904.]
Law.]

“ Will the Government be pleased to state the grounds, if any, upon which this system may be considered consistent with sound principles of account ?

“ Will the Government be pleased to state upon what grounds the money devoted to ‘ avoid ’ debt can properly be called expenditure—

(a) in a year in which there is a deficit ;

(b) in a year in which there is a surplus ? ”

The Hon'ble SIR EDWARD LAW replied :—

“ The system under which the sum set apart from the Famine Insurance Grant for the reduction of debt was shown as expenditure in the accounts, was introduced in the year 1881. The heading was changed to ‘ Reduction and Avoidance of Debt ’ in the year 1899-1900, and was explained by Sir Clinton Dawkins in his Budget Speech in 1900. Before 1881, that part of the grant which was not expended on the actual relief of famine or the construction of protective works, was merged in the ordinary surplus of the year, and it was difficult to trace the application of it. The change was made with the object of enabling the public readily to trace in the accounts the manner in which the 1½ crores constituting the Famine Insurance Grant had actually been applied.

“ The system is not wholly free from account objections, but it was considered that these were outweighed by the advantage just explained. It is very similar to the system under which the funds applied to the reduction of debt in the United Kingdom are shown in the accounts of the British Government.

“ The amount is correctly shown as expenditure, because it represents an actual charge against the revenues of the year ; and it is correctly shown as applied to the reduction or avoidance of debt, because it is used to reduce or avoid borrowing for the construction of Railways or Irrigation Works, which are ordinarily carried out from borrowed funds. This consideration applies equally whether the ordinary transactions of the year result in a surplus or a deficit.

“ The subject is one upon which, as was stated by the Viceroy in his Budget speech of 1903, the Government of India, who are not entirely satisfied with the present system, have been for a long time in correspondence with the Secretary of State. A final decision has not yet been arrived at ; but it is hoped that this will not be much longer delayed.

"A statement showing the manner in which the grant for Famine Relief and Insurance has been disposed of is given below:—

Statement showing the Disposal of the Provision made in 1877-78 for Famine Relief and Insurance.

[Rupee figures are converted into sterling at 15 to the £.]

YEARS.	Revenue provided by Measures of 1877-78.	DISPOSAL OF THE REVENUE PROVIDED.						BALANCE ON THE YEAR.		Balance at credit from the commencement of the scheme to the end of the year.
		EXPENDITURE ON FAMINE RELIEF.		EXPENDITURE ON PROTECTIVE WORKS, INCLUDING NET CHARGE FOR INDIAN MIDLAND AND BENGAL-NAGPUR RAILWAYS.		AMOUNT APPLIED IN REDUCTION OF DEBT.					TOTAL EXPENDITURE.
		In India at Rs = £1.	In Eng-land £.	In India at Rs = £1.	In Eng-land £.	In India at Rs = £1.	In Eng-land £.	Credit.	Debit.	
	£	£	£	£	£	£	£	£	£	£
1878-79 .	1,000,000	208,549	597	...	...	...	...	209,146	799,854	799,854
1879-80 .	1,000,000	69,098	343	...	...	...	...	69,441	930,559	1,721,413
1880-81 .	1,000,000	21,759	1,831	...	...	...	...	23,590	976,410	2,697,823
1881-82 .	1,000,000	23,123	165	545,235	...	116,095	...	684,558	315,442	3,013,269
1882-83 .	1,000,000	14,735	...	86,876	...	385,094	...	486,705	513,295	3,520,560
1883-84 .	1,000,000	6,054	89	621,626	26	6,243	1,007,393†	1,635,441	...	2,891,119
1884-85 .	1,000,000	4,900	...	799,669	...	1,747	...	805,316	193,684	3,084,802
1885-86 .	1,000,000	27,130	...	517,205	22,263	100	...	566,698	433,302	3,518,106
1886-87 .	1,000,000	694	...	205,319	110,323	...	...	316,336	683,664	4,201,759
1887-88 .	1,000,000	268	...	60,671	200,815	...	...	261,754	738,246	4,940,015
1888-89 .	1,000,000	5,199	...	59,968	331,583	...	...	396,753	603,247	5,543,268
1889-90 .	1,000,000	45,525	...	—39,133*	408,745	...	...	415,135	584,865	6,128,127
1890-91 .	1,000,000	3,719	...	—45,643*	471,231	...	...	429,307	570,693	6,698,820
1891-92 .	1,000,000	15,615	...	51,284	500,245	...	...	567,144	432,856	7,131,676
1892-93 .	1,000,000	47,227	...	408,728	599,524	...	...	965,479	34,521	7,166,197
1893-94 .	1,000,000	331	...	425,677	515,531	...	...	941,539	58,461	7,224,653
1894-95 .	1,000,000	6,839	...	31,648	514,344	...	...	552,831	447,169	7,671,827
1895-96 .	1,000,000	12,201	...	60,051	506,670	...	...	578,922	421,078	3,092,905
1896-97 .	1,000,000	1,377,094	8,360	—245,431*	514,099	...	...	1,654,122	...	7,438,783
1897-98 .	1,000,000	3,548,592	1,740	—285,445*	523,717	...	...	3,788,604	...	4,650,159
1898-99 .	1,000,000	26,702	1	141,471	534,280	...	...	702,454	297,546	4,947,725
1899-1900 .	1,000,000	2,071,201	3,717	—195,213*	248,742	...	...	2,128,447	...	3,819,278
1900-1901 .	1,000,000	4,117,428	7,802	—277,907*	318,544	...	...	4,165,867	...	653,411
1901-1902 .	1,000,000	529,063	118	—147,132*	333,313	...	...	715,368	284,638	938,049
1902-1903 .	1,000,000	321,509	...	—235,880*	349,677	...	...	435,300	554,700	1,502,749
1903-1904 .	1,000,000	20,400	...	—243,800	636,500	...	...	413,600	586,400	2,089,149
1904-1905 .	1,000,000	...	...	—207,100	661,000	...	...	453,600	546,100	2,635,249
TOTAL OF 27 YEARS .	27,000,000	12,524,965	24,763	2,093,236	8,211,175	502,219	1,001,393	24,364,751	11,007,730	2,635,249

* In these years the net receipts on the Indian Midland and Bengal-Nagpur Railways exceeded the charges for other protective works in India.

† In 1882-83 a remittance of Rs. 2,77,330 was made in England, realising 1,007,393 £, by means of which 993,584 £ of sterling debt was discharged in 1883-84.

[23RD MARCH, 1904.]

[Sir Edward Law.]

FINANCIAL STATEMENT FOR 1904-1905.

The Hon'ble SIR EDWARD LAW introduced and explained the Financial Statement for 1904-1905. He said:—

"1. With Your Excellency's permission, I will now lay before the Legislative Council the actual financial results of the year 1902-1903; our Revised Estimates for 1903-1904; and our Budget Estimates for the coming financial year 1904-1905.

"2. In their briefest form, and leaving out Capital, Debt, and Remittance transactions, the figures are as follows:—

	1902-1903 (Accounts).
	£
Revenue	77,434,915
Expenditure (charged against Revenue)	74,365,366
Surplus	3,069,549
	1903-1904 (Revised Estimate).
	£
Revenue	83,067,800
Expenditure (charged against Revenue)	80,356,600
Surplus	2,711,200
	1904-1905 (Budget Estimate).
	£
Revenue	80,148,600
Expenditure (charged against Revenue)	79,229,900
Surplus	918,700

"Accounts, 1902-1903.

"3. The final accounts of the financial year 1902-1903 show a surplus of £3,069,549, being an increase of £2,231,849 over the original Estimate which showed a surplus of £837,700, and of £331,049 over the Revised Estimate.

"4. On the Expenditure side, the accounts show an increase of £832,666, as compared with the original Estimate, and of £211,366, as compared with our Revised Estimate.

"5. On the Revenue side, the more important differences between Accounts and Revised Estimate are under receipts by Military Department—increase of £204,390;

Salt—increase of £144,405; Railways—increase of £107,500; Customs—increase of £90,936; Other Heads—increase of £57,123; and Excise—increase of £49,042. Against these rather considerable increases we have decreases under Land Revenue, and under Irrigation of £51,655 and £66,010 respectively. The result of these and other minor changes is an actual increase in revenue of £542,415, as compared with the Revised Estimate, and allowing for an increase in expenditure of £211,366, the final result is an increase of the surplus by £331,049.

“Increase in the receipts by Military Department occurred partly in India and partly in England and was due, in the former, chiefly to credits taken for value of equipment, etc., supplied for Imperial service requirements abroad. The increase in England was mainly due to earlier recoveries of contributions towards pensions of Indian Native soldiers lent for Imperial service. The increase under Salt was contributed by all the provinces and is attributable to our under-estimate of payments on clearances of salt for trade stocks, during the last weeks of the year. We apprehended that traders would anticipate a reduction in the duty, and would accordingly delay clearances. The increase under Railways is the aggregate result of minor differences due to under-estimates of traffic on several lines. Under Customs, the increase occurred chiefly in Burma, Madras, and Bombay, and was due to large exports of rice, and to more extensive imports of petroleum, silver, copper, and spirits. The increase under Other heads of Revenue occurred chiefly under Forests in Burma and Madras; that under Excise chiefly in Burma and Berar.

“The decrease under Land Revenue was due to over-estimate of collection in Bombay and Burma; under Irrigation, to an over-estimate in the Punjab.

“6. As regards expenditure, the more important variations in figures as between the Accounts and the Revised Estimate, are increases of £190,892 under Army Services; £169,407 under Other Public Works; £49,343 under Salaries and Expenses of Civil Departments; and of £39,151 under Railway Revenue Account; and decreases of £101,831 under Direct Demands on Revenue, and of £114,640 under provincial surpluses added to the provincial balances and charged as expenditure. These items account for the greater portion of the total differences noted.

“The increased expenditure under Army Services occurred under effective charges both in India and in England; in India, under Supply and Transport, Ordnance, and Miscellaneous Services; and in England, under “Stores,” due to larger payments than anticipated, on account of indents. The increase under Other Public Works was due to unexpectedly heavy expenditure in the last two months of the financial year. Under Salaries and Expenses of Civil Departments, the increase occurred chiefly under Education, and was due to larger payments than were anticipated on account of grants-in-aid to certain schools. The increase under Railway Accounts was chiefly on

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[*Sir Edward Law.*]

account of working expenses on the North-Western and Great Indian Peninsula Railways, and was due to increased train mileage compensated by improved earnings. Savings under Assignments and Compensation, Land Revenue, and Forest, are the principal causes of the decrease under Direct Demands on Revenues. The decrease under Provincial Surplus is the result of larger expenditure than anticipated in Bengal, the United Provinces, and Madras.

“Revised Estimate, 1903-1904.

“7. The Revised Estimate of Revenue shows an anticipated increase over the original estimate of £6,712,400 and, allowing for an increase in expenditure (including Provincial surpluses and deficits) of £4,949,900, results in a total anticipated surplus of £2,711,200 as compared with the Budget Estimate which showed a surplus of £948,700. This considerable excess surplus is due to an increase of revenue in greater or less proportion under all heads, except Telegraphs, the returns from which have unfortunately disappointed us, yielding £30,200 less than the estimate, £22,779 less than in 1902-1903, and £53,909 less than in 1901-1902.

“REVENUE.

“8. The following are the increases in the Revised over the Budget Estimate, under the different heads, and allowing for the failure under Telegraphs, they result in a total increase of revenue of £6,712,400:—

	£
Land Revenue	152,700
Opium	1,354,900
Salt	206,700
Stamps	41,200
Excise	420,400
Customs	316,200
Other Heads	176,900
Interest	86,600
Post Office	39,400
Mint	2,345,500
Receipts by Civil Departments	190,700
Miscellaneous	40,200
Railways	1,106,100
Irrigation	161,400
Other Public Works	71,100
Receipts by Military Department	32,600
	<hr/>
	6,742,600
Telegraphs (decrease)	30,200
	<hr/>
Net increase	6,712,400
	<hr/>

"It will be observed that by far the most important items of increase in Revenue are under Opium, £1,354,900; Mint, £2,345,500; and Railways, £1,106,100. The increase under these three heads alone amounts to no less a sum than £4,806,500 approximating three-fourths of the total excess over the Budget Estimate.

"The very important increase under Opium is due to the phenomenal rise in prices realised at sales during the past year. In view of the prices obtained during the previous year, we did not feel justified in assuming for 1903-1904, a higher price than ₹1,100 per chest, whereas the actual average obtained has amounted to no less than ₹1,462 per chest, reaching the extraordinary high level of ₹1,765 for the month of February last. The following figures illustrate the course of the market throughout the year.

Average sale-price of opium per chest during the financial year 1903-1904.

	₹	a.	p.		₹	a.	p.
April . . .	1,240	5	1	October . . .	1,446	15	1
May . . .	1,255	14	3	November . . .	1,498	13	9
June . . .	1,267	4	2	December . . .	1,492	10	4
July . . .	1,297	2	1	January . . .	1,626	9	0
August . . .	1,388	9	10	February . . .	1,765	0	1
September . . .	1,567	1	8	March . . .	1,697	8	8

Average for the year ₹1,461-15-10.

"It is absolutely impossible to foretell the course of events in the highly speculative opium market, and we are bound to be cautious in our estimates, as the course of the market depends not only on the opium crop, but also on the situation in China, which for some time past has been unusually perturbed.

"As regards possible Mint profits, we must always be in the dark until requirements for coin have declared themselves, and it is quite impossible to estimate beforehand what such requirements may amount to in any particular year. To exemplify the uncertainty of the demand I submit the figures showing the annual coinage of rupees in the Mints, excluding coinage for Native States and coinage to replace withdrawals of old issues, since the commencement of operations for increasing the rupee circulation :—

	₹
1900-01	13,40,73,058
1901-02	3,25,87,221
1902-03	21,11,378
1903-04 (11 months only)	9,42,81,408

"It will be observed that annual requirements have varied from ₹21,11,378 to ₹13,40,73,058, with a similar variation in profits. It must be remembered, however,

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[*Sir Edward Law.*]

that whilst mint profits are necessarily tabulated in our revenue returns, they do not increase our available resources, as profits from rupee coinage are transferred to the Gold Reserve Fund.

“The unanticipated increase in railway revenue is equivalent to approximately 5½ per cent on the estimate. In this matter also we have always to deal with uncertainties, since returns are entirely dependent on seasonable conditions affecting yield and movements of produce, and also to a greater or less extent on the prices for such produce which may prevail in European markets. I submit figures showing the fluctuations in net railway revenue returns during the last five years, including the estimates for the coming year :—

1900-1901.	1901-1902.	1902-1903.	1903-1904	1904-1905
			(Revised).	(Budget).
£	£	£	£	£
325,124	846,616	228,949	854,600	354,200

“The other differences in excess of anticipated revenue, though important in themselves both as regards improvement of revenue and evidence of general prosperity, are relatively of minor significance. Taking them in order of importance, the increase in Excise returns, as compared with the results of 1902-1903, somewhat exceeds £498,800, and is equivalent to an augmentation of about 21 per cent in two years, following on smaller increases in the two previous years when the stress of famine was still making itself severely felt in some parts of the country. Increase of revenue is undoubtedly in great part due to improved administration and greater attention to preventive measures, but it is also due, and probably to a very large extent, to improvement in the condition of the people. Satisfactory as is from one point of view a growth of revenue, we could not regard with satisfaction any increase which might possibly be attributed to increased consumption of alcohol in excess of the legitimate requirements of those classes among the population to whom from long habit and custom, alcohol in moderation is a virtual necessity. There is no desire on the part of the Government of India to increase revenue by encouraging indulgence in alcohol. It is a matter in which we feel our full responsibility, which undoubtedly requires constant careful watching, and to which at the present moment we are devoting special attention in the interests of temperance and morality.

“Our Customs revenue, though falling short of the realizations in 1902-1903, has exceeded our expectations. Important increases are to be found under the heads of Manufactured Articles (8½ lakhs), Spirits and Liqueurs, Sugar (ordinary duties), White and Coloured Piece Goods, and Other Metals and Manufactures of Metals. The total increase under the heads above enumerated amounts to 26 lakhs, but it is more than

counterbalanced by a falling-off of approximately 9½ lakhs on Petroleum, nearly 7 lakhs under Grey Shirtings, and other minor differences. Any decrease in revenue returns is in a sense unfortunate, but we may console ourselves as regards any loss on petroleum and cotton cloths by the reflection that there is no falling-off in the consumption of those articles, and that where duty-paying foreign imports have diminished, they have been replaced by home production.

"The excess over our estimate for revenue from salt is a matter for unqualified congratulation, being almost entirely due to increased consumption. Under Receipts by Civil Departments the increase occurred under 'Marine,' and was partly due to a change in accounting, and partly to recoveries on account of the employment of Royal Indian Marine vessels in connection with the operations in Somaliland.

"As a matter of percentage, the increase in Land Revenue is trifling; I submit once more figures showing returns for a series of years, and it will be seen that the average annual increase since 1898-99, the last year before the ravages of famine, is approximately 1·17 per cent:—

£				£			
1898-99	.	.	18,306,208	1902-1903	.	.	18,436,845
1899-1900	.	.	17,205,056	1903-1904	.	.	19,262,400
1900-1901	.	.	17,503,031	1904-1905	.	.	19,591,600
1901-1902	.	.	18,288,018				

"The increase under Irrigation, which amounts to nearly £188,000, as compared with 1902-1903, and to nearly £419,000, as compared with 1901-1902, is in the main due to the extension of irrigation undertakings which bring direct prosperity to individuals and indirect prosperity to the State at large; the remaining items of increase are of minor importance.

"EXPENDITURE.

"9. Expenditure has exceeded the original estimate by £4,949,900; of this considerable excess no less a sum than £4,797,600 falls under the heads of Mint, and Provincial Surpluses and Deficits. The increase of expenditure under Mint may be neglected, being fully compensated by increased receipts. The increase under Provincial Surpluses and Deficits includes grants to Provincial Governments amounting to £1,726,700, of which £1,000,000 is in connection with the new provincial settlements, Bengal receiving £333,300, the United Provinces £200,000, Madras £333,300, and Assam £133,400. The variations under other heads of expenditure are of relatively minor importance, fairly balancing one another and resulting in a total increase of £152,300; the more important items are: Direct Demands on Revenue—increase £240,300, attributable to heavy expenditure on opium cultivation and establishment, in

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consequence of an abnormally large crop; Railway Revenue Account—increase, £292,400, due to heavier working expenses for increased traffic and increased train-mileage, and more than compensated by increased receipts; Other Public Works—increase, £97,400, due to sanction of additional grants for civil works during the course of the year; Army Services—increase, £164,400, due to expenditure amounting to £486,400, for the Missions in Tibet, Aden, and Seistan, partly counterbalanced by savings arising from the absence of troops in Somaliland and China; and Miscellaneous Civil Charges,—increase, £68,800, due to the writing-off of agricultural advances granted during the late famine, and which have proved irrecoverable.

“The only head under which a really important decrease of expenditure is noted is Salaries and Expenses of Civil Departments £368,100; minor savings aggregating £342,900 have been realised under the heads of Interest, Post Office, Telegraphs, Famine Relief and Insurance, Irrigation and Special Defences. The excess of estimates over expenditure under Salaries and Expenses of Civil Departments in 1901-1902 was £312,001, and in 1902-1903, £439,557, indicating apparently a regrettable tendency in some provinces to continually exaggerate requirements. Endeavours will be made to find a remedy.

“Budget Estimates, 1904-1905.

“10. Our estimates of receipts and expenditure for the forthcoming financial year result in an anticipated surplus amounting to £918,700, but it is to be noted that in calculating this result, allowance is made for a decrease in Provincial balances of £1,316,800.

“REVENUE.

“11. The principal items of estimated increase in revenue, as compared with the Revised Estimate of 1903-04, are as follows :—

	£
Land Revenue	329,200
Stamps	49,000
Excise	124,500
Other Heads	94,700
Railways	176,400

“These with minor improvements under Post Office, and Irrigation, make up a total anticipated increase of revenue amounting to £794,600.

“The increase in Land Revenue is largest in Burma and Madras, but it is fairly general, and is important in Assam, the Central Provinces, Berar, and Bombay. The

chief cause of general increase is recovery after the recent famine; some re-settlements have however been made, and in the Punjab irrigation has been extended. Under Stamps and Excise, a normal increase has been allowed for. The increase estimated under Railway receipts is based on the anticipated improvement in traffic on certain lines, and increased working mileage.

"12. On the other hand, we anticipate a falling-off in receipts under the following heads:—

	£
Opium	781,600
Mint	2,516,100
Other Public Works	68,000
Receipts by Military Department	172,500
	<hr/>
TOTAL	3,538,200
	<hr/>

"These, with minor decreases in Salt, Customs, Interest, Telegraph, Receipts by Civil Departments and Miscellaneous Receipts, result in a total falling-off of £3,713,800.

"We cannot anticipate a continuance of the abnormally high prices latterly obtained for Bengal opium, and we have based our estimates for the coming year on an assumed price of ₹1,250 per chest, as compared with the average of ₹1,144-8-11 obtained in 1902-1903, and ₹1,461-15-10 in 1903-1904. The heavy fluctuations in this very important source of revenue are noted in the following table:—

	Average price per chest.		
	₹	a.	p.
1898-1899	1,055	7	5
1899-1900	1,220	15	5
1900-1901	1,360	10	10
1901-1902	1,296	15	5
1902-1903	1,144	8	11
1903-1904	1,461	15	10
1904-1905 (Estimate)	1,250	0	0

"The decrease under Mint is, as I have already noted, due to the fortuitous circumstances influencing receipts under this head.

"The decrease under Other Public Works is chiefly due to special receipts from sales of buildings, and the falling-off in receipts by Military Department is mainly attributed to anticipated smaller recoveries for stores, etc., to be supplied to the Imperial Government.

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EXPENDITURE.

"13. The total increase in expenditure on revenue account is estimated at £1,391,300.

"The more important heads of increase are:—

	£
Direct Demands on the Revenues	198,400
Post Office	116,000
Salaries and Expenses of Civil Departments	916,800
Railway Revenue Account	676,800
Other Public Works	524,500
Army Services	1,258,400
Special Defences	228,300

"These with minor additions under Telegraph, Famine Relief and Insurance, and Irrigation result in a total increase of expenditure amounting to £4,028,500. The most important increase, that of £1,258,400 under Army Services, is almost wholly accounted for under the two heads of Increased Pay to British Troops, approximately £493,900, which becomes payable from April 1904, and £700,000 for new armament, guns, and rifles; the latter is fortunately a non-recurring charge. There are other minor differences of increase and decrease in Military charges, but excluding the two items I have specially noted, the aggregate Military estimates do not materially exceed those of the closing year.

"The large increase of £916,800 under Salaries and Expenses of Civil Departments occurs chiefly under Education, Police, Medical, and Political. Should we have another really prosperous season, additional expenditure under Railway Revenue Account will in great part be covered by increased receipts, but whereas certain expenditure is inevitable, we cannot, in framing our estimates, allow for more than normal profits to counterbalance them. The addition of £116,000 to Post Office charges is due to the progressive development of the Postal service. The increase of £524,500, under Other Public Works, is chiefly due to the expenditure to be met by Local Governments out of the special grants given to them towards the close of the current financial year, and that of £228,300 under Special Defences, to the adoption of a definite programme for improving Coast Defences. The other items of increase are of relatively small importance.

"14. Against such items of increase there are decreases under the following heads:—

	£
Mint	2,385,000
Miscellaneous Civil Charges	129,700
Interest	122,500

"The decrease under Mint is approximately counterbalanced by the smaller entry for receipts under the same head; that under Miscellaneous Civil Charges is chiefly due to a considerable sum, considered irrecoverable, having been written off on account of takavi advances made during the late famine.

Summary of Budget Results.

"15. We may now consider the situation as regards our estimates for items classified in the Accounts as non-chargeable to revenue. We carry forward to this second part of our statement, which includes Capital and Debt transactions, Deposits, Remittances, and Advances, a surplus of £918,700. Our total estimate for capital expenditure on Railways and Irrigation amounts to £8,940,900, of which sum £6,310,300 is for account of State Railways; £1,797,300 for the account of Railway Companies; and £833,300 for Major Irrigation Works. In addition to the above, we have to find £1,088,800 for discharging Permanent Debt, and £333,300 for discharging Temporary Debt. We have also to make a net payment of £1,407,500, under Deposits, Advances, and Remittances. Thus the total of our capital requirements amounts to £11,770,500.

"16. To meet these requirements, we estimate that in addition to the surplus of £918,700, we shall have at our disposal a sum of £2,917,200, to be raised by Railway Companies. We further propose to increase our permanent debt by £4,500,000, including a loan of 3 crores of rupees, to be raised in India, and we also anticipate the realisation of £688,100 by addition to the unfunded debt. The above sums amount in the aggregate to £9,024,000, and the balance required to meet the total expenditure of £11,770,500 will be found by the reduction of the total of closing balances in India and England by £2,746,500.

"17. The final estimated results show closing balances on March 31st, 1905, in India of £11,060,616 and in England of £4,696,287.

"18. As regards the loan to be raised in India, we reserve the right to alter the amount to any extent that may appear desirable. The present intention of the Secretary of State is to draw Bills to meet requirements for sterling payments to the amount of £16,500,000. This figure is omitted from both sides of the account as above summarised. Our estimate of payments during the coming year on account of Council Bills is £16,769,700.

"Coinage, Currency, and Exchange.

"19. During the year now drawing to a close our coinage operations have been on a very large scale, and the issues of new rupees, including recoinage of withdrawn issues, have amounted to no less than a sum of ₹13,94,91,408 in addition to which we

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coined for Native States rupees to the value of ₹12,15,682. I submit the figures of coinage during the last four years:—

	R
1900-1901	17,14,79,318
1901-1902	4,95,20,460
1902-1903	11,27,22,680
1903-1904 (11 months only)	14,07,07,090

“ 20. There have been very heavy demands for currency in connection with the disposal of the bumper rice crop in Burma, the large cotton crops in Bombay and Central India, and the generally good crops of cereals and seeds. The demands for currency began this year somewhat earlier than usual, and the strain on our resources was at its height towards the close of the first week of January, fully six to seven weeks before the usual period. A certain nervous anxiety prevailed for a time in financial circles, particularly in Calcutta, induced by the rapid and unusually early decrease in the stock of silver coin held in the currency reserve, which fell on the 7th of January to so low a figure as ₹7,50,76,000. Although the strain came, as I have pointed out, unusually early and surprised many, Government had taken measures in good time to meet possible difficulties, and within one week from the date of low-water mark, that is by January 15th, and notwithstanding the continuance of very heavy demands, we added approximately a crore to the amount of rupees in the Currency Reserve, and by the end of February we held in the Currency Reserve approximately $10\frac{3}{4}$ crores, or about $3\frac{1}{4}$ crores more than on January 7th. In this connection, I may mention that the withdrawals of rupees from the Currency Reserve during the single month of December amounted to no less than ₹4,05,23,000. The nearest approach hitherto to this extraordinary figure was in January 1903, when the withdrawals reached ₹3,77,17,000.

“ 21. I submit a table which I think will be found of interest, showing month by month the gain or loss in the stock of rupees held in the Currency Reserve during the last four years, such gain or loss being calculated without reference to the additions which have been made from time to time by new coinage. It will be observed that the total loss during the period has amounted to approximately $21\frac{3}{4}$ crores, and I may mention that the amount of new rupees coined for Government, exclusive of recoinage of withdrawn rupees of 1835 and 1840 issues, has during the four years amounted to approximately $26\frac{1}{2}$ crores. The withdrawals of rupees from the Currency Reserve do not in any way necessarily correspond with the amounts of new coinage, but there will in existing circumstances be a certain general connection between them. There will only be a direct correspondence when gold is taken from the Currency Reserve to purchase silver for coinage; but silver may also be purchased from the proceeds of Council drafts, or

locally, and moreover, differences will arise on account of coinage for Native States, and coinage to replace withdrawn rupees of early issues. The two latter sources of difference have been allowed for in the following statement:—

[In thousands of rupees.]

	1900-01.	1901-02.	1902-03.	1903-04.	Average.
	Gain + loss—.	Gain + loss—.	Gain + loss—.	Gain + loss—.	Gain + loss—.
April	—2,21,73	—1,77,62	—85,07	—2,14,76	—1,74,79
May	+10,37	+17,84	+45,50	—18,26	+13,87
June	+1,00,13	+2,59,98	+1,57,57	+91,55	+1,52,31
July	—68,40	+51,30	+91,34	+21,62	+23,97
August	—2,06,69	—80,48	—53,18	—1,15,00	—1,13,84
September	—1,94,51	—77,73	—1,09,34	—2,25,77	—1,51,84
October	—1,90,43	+76,55	—47,60	+12,30	—37,30
November	—1,03,08	+2,93	—88,25	—1,97,82	—96,56
December	—1,76,25	—1,95,18	—2,14,29	—4,05,23	—2,47,74
January	—2,04,44	—83,60	—3,77,17	—2,12,86	—2,19,52
February	—2,04,06	—1,10,69	—1,93,86	—2,02,10	—1,77,68
March	+1,62,98	+34,51	—3,14	...	+64,78
Total gain or loss	—12,96,11	—2,82,19	—8,77,49	—14,66,33	—9,80,53
Add on account of coinage of Native States in 1900-01, and withdrawals of old issues	+3,73,69	+1,16,58	+8,07,25	+4,52,10	+4,37,40
Net gain or loss	—9,22,42	—1,65,61	—70,24	—10,14,23	—5,43,13

“22. In anticipation of the heavy demands certain to arise as the result of exceptionally good crop prospects, we had already in the month of October commenced the purchase of silver and the coinage of rupees, and when the crisis came we had considerable stocks of bullion both in the Mints and in course of delivery from England, whilst further parcels were under orders. I think that it is not sufficiently recognised by the banking and commercial community that a low stock of rupees in the Currency Reserve, which might give some reasonable cause for apprehension in the absence of preparations for a rapid increase should necessity arise, is not an indication of danger when such preparations have been made, as on the present occasion. Danger point when there has been no provision and no preparation, is not danger point when all due precautions have been taken to meet a strain.

“23. In connection with the large coinage during the last few months, I think I should take this opportunity of expressing my warm appreciation of the manner in which the Mint Masters and all those responsible for the conduct of minting operations have

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worked to satisfy public requirements and to maintain the high reputation of the Mint staff. Work at the Mints is conducted under many difficulties owing to the fact that when coinage operations were resumed some four years ago, after a long period of comparative idleness, the machinery and appliances were found to be in many respects inadequate and unsuitable to meet the strain of very heavy work. Proposals have been under consideration for the establishment of a combined Mint with new machinery, and with all the latest improvements, but various objections have been raised to the scheme, and, meanwhile, the Mint staff are to be congratulated on their success in coping with the difficulties arising from the imperfections of existing arrangements.

" 24. Large as was the sale of Council Drafts during the year 1902-1903, the amount has been very greatly exceeded during the current year. It has already reached £22,592,900, and it is estimated that it will attain the altogether phenomenal figure of £23,700,000; and in addition to this quite abnormally large sale of Council Bills, the imports of gold up to the end of February reached a figure approximating 12 millions sterling.

" The Secretary of State by his drawings, and the Government of India by measures taken locally, have done all in their power to meet the demands of trade. The question of how this should best be done, has been and is likely still further to be, a matter for some discussion; here I would only say that I adhere to my opinion that it is impossible to admit the direct responsibility of Government to immediately, and in all circumstances meet abnormal demands. Government have every right to expect that those who make it their special business and derive a profit from financing the trade of the country, will consider beforehand what are likely to be their requirements and make due preparation to meet the wants of their customers. We on our side will do all we can, and it is our intention in view of a probably permanent increase in demands for rupees during the winter season, to increase the standard of the stock of silver coin which it has hitherto been considered sufficient to hold in the Currency Reserve at the beginning of October, and further, to take permanent measures to enable a rapid addition to be made to that stock without the risk of delay in importing silver bullion for coinage.

" As regards the events of the last few months I may point out that opinions in the most competent financial circles in India were by no means unanimous in anticipating the great demand for coin which arose. As late as December 15th none of the Presidency Banks had found it necessary to raise their rate above 4 per cent, and this rate is primarily dependent on the rates at which money is being offered in the open market; by January 5th all the Presidency Banks had, however, been obliged to raise rates to 6 per cent. This very rapid rise does not appear from the figures before us, to have been in any way due to low balances held by the Presidency Banks at the beginning of the period of pressure. It was caused by the extraordinary trade demands which the Presidency Banks alone appear to have been in a position to satisfy,

and I have not heard of any case in which accommodation was refused to regular customers when good security was forthcoming. Similarly, Government showed no hesitation throughout the crisis, in exchanging gold and notes for rupees when demanded. I must insist on the fact that the Currency Reserve is maintained for the purpose of securing the stability of the note circulation and exchanging sovereigns, and as long as all obligations in this respect are fulfilled the public have no claim to further assistance from its resources.

"25. During the year, the Gold Reserve Fund has increased from £3,810,730 to £6,382,200, of which amount £6,376,500 are invested in Consols, the National War Loan, and Local Loans Stocks. In addition to these resources, the last returns show a sum of £10,494,556 held in gold in the Currency Reserve.

"26. Our exchange operations, as indicated by the rates obtained for Council Bills, have naturally been very favourable during the closing year. The estimated average exchange rate for the rupee for 1903-04 is 16·053*d.* as compared with the rates noted below for the four preceding years:—

1899-1900.	1900-1901.	1901-1902.	1902-1903.	1903-1904 (Estimate).
16·067 <i>d.</i>	15·973 <i>d.</i>	15·987 <i>d.</i>	16·002 <i>d.</i>	16·053 <i>d.</i>

"Balance of Trade.

"27. I have been much surprised to learn that there are considerable misapprehensions abroad on the question of the balance of trade. It is impossible to arrive at precise figures showing the exact situation, but I have considered all available sources of information and have had the following statement prepared:—

	1900-1901.	1901-1902.	1902-1903.	Total of three years.
	£	£	£	£
Secretary of State's budgeted drawings .	16,440,000	16,500,000	16,500,000	49,440,000
Excess value of Exports over Imports .	10,983,073	17,989,511	18,611,170	47,583,761
Deduct—Transfer of Rupee Paper to India, <i>net</i>	—908,260	1,212,670	1,152,470	1,456,880
Excess balance of Exports	11,891,333	16,776,841	17,458,700	46,126,874
Add—Payments by the War Office on account of supplies furnished to China and South African Forces	1,471,048	521,028	153,266	2,145,342
Total excess under classification of "Exports"	13,362,381	17,297,869	17,611,966	48,272,216
Deficit over period	—3,077,619	+797,869	+1,111,966	1,167,784

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"It will be seen that during the three years 1900-1901, 1901-1902, 1902-1903, the excess of exports over imports amounted in value to £47,583,754; from this total must be deducted £1,456,880, the value of rupee paper transferred to India, during the period, which from the point of view of trade balances must be counted as an import. The net excess value of exports over imports thus calculated, amounted for the three years to £46,126,874. But to this figure we must add a sum of £2,145,342, representing the value of stores, arms, munitions, and animals, supplied to the Home Government in connection with their requirements in South Africa and China; these supplies must be included in our exports although not tabulated in our trade statistics. The addition of this sum to the balance of £46,126,874 noted above, shows for the period a net excess of exports amounting to £48,272,216. Now during the three years, the Secretary of State budgeted for Council drawings to meet the sterling requirements of Government for a total of £49,440,000. The difference between the net excess of exports and this figure, shows a balance adverse to India (or deficit) amounting to £1,167,784. It appears therefore that during the three years under consideration India received more than she paid for, the deficit having been made good by the Secretary of State's borrowings in England during the year 1900-1901, when on account of the famine, he was unable to meet his requirements by drawing to the full amount budgeted for. The Secretary of State's drawings actually *paid* during the period, amounted however to only £47,882,260, and thus, as regards actual payments, approximately £400,000 was provided in excess of requirements for payments of Council Bills, but such a difference amounting to less than one-tenth per cent of the total volume of the export and import trade during the three years, is of no account, as it is evident that neither the whole of the exports nor of the imports would be actually paid for within the period, and it is impossible to say on which side a balance might be due on account of trade operations at the close of three years, or what might be the amount of such balance.

"In such calculations as I have made; certain minor factors may escape observation, but I believe that the figures given, indicate the situation with sufficient accuracy for general purposes. They entirely dispose of the erroneous assumption that India is paying for more than she receives under the three heads of imported goods, imported investment securities, and payment abroad of budgeted Government sterling charges.

" Circulation of Currency Notes:

"28. I submit the usual figures showing (1) the gross circulation of currency notes:

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in recent years, and (2) the circulation excluding the amounts held at the Government Reserve Treasuries and by the Presidency Banks at their head offices.

[In lakhs of rupees.]

	1900-1901.	1901-1902.	1902-1903.	1903-1904 (11 months only).
STATEMENT I.				
Average	28,88	30,03	33,74	36,24
Maximum	30,78	31,86	35,72	37,70
Minimum	27,90	27,68	31,25	33,94
STATEMENT II.				
Average	23,86	23,16	25,74	28,56
Maximum	25,02	24,40	27,35	29,96
Minimum	22,85	22,39	23,93	27,44

“ It will be observed that the increase in the average circulation is continued.

“ 29. We have, I am sorry to say, not yet received the new forms for the universal 5-rupee note, but I hope that they may soon be issued; meanwhile the existing note has been made negotiable everywhere except in Burma. So far, it cannot be said that the increase in the circulation of five-rupee notes can with certainty be attributed to the new arrangement; it is perhaps somewhat early to expect great results, and the figures which I give below only show that the increase in the circulation of five-rupee notes has kept pace with the total increase in all denominations. Much might, I think, be done towards popularising small notes by those who pay monthly wages in small sums, and who would, I think, find it convenient to themselves to use five-rupee notes in making such payments :—

Average Gross Circulation of Currency Notes (except in Burma).

[In lakhs of rupees.]

Year.	Notes of all Denominations.	Five-rupee notes.
1901	29,06	36
1902	31,61	40
1903	34,95	45

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“Presidency Banks.

“30. Our negotiations with the Presidency Banks have been continued, and I can only express my regret that they have not so far terminated in arrangements satisfactory to both parties, but I have, I think, good reason to hope that a definite agreement will not be long deferred. I submit a statement of Government balances held by the Presidency Banks during the busy months of the year, noting also the amounts which Government are under obligation to hold in deposit with the banks at their head offices :—

	Lakhs.
Calcutta	35
Bombay	20
Madras	18
	—
TOTAL	73
	—

Government Balances with the Presidency Banks.

[In thousands of rupees.]

MONTH.	1899.	1900.	1901.	1902.	1903.	1904.
January	2,73,84	2,48,75	2,64,54	2,85,89	3,07,63	2,69,52
February	2,72,31	2,56,23	2,86,73	2,97,16	3,32,02	2,91,84
March	3,38,07	2,79,18	3,15,79	3,11,24	3,36,91	...
December	2,38,75	2,48,90	2,82,02	3,05,84	2,79,07	...

“Foreign Tariffs,

“31. The question of the influence of foreign tariffs on Indian trade has recently been brought into special prominence by the discussion which has been proceeding in the United Kingdom. The views of the Government of India have been set forth and communicated to the public in the published despatch addressed to the Secretary of State, dated the 22nd October, 1903, and I do not think it is necessary for me to add any further observations on this occasion. We are, however, obliged from time to time to consider the immediate effect of changes made in foreign tariffs adverse to the interests of our export trade. Last year I noted the difficulties which had arisen under the new Persian tariff, as also that specially affecting our coffee planters in connection with the French tariff, and the prejudice caused to indigo interests by the change in the Japanese tariff, which appears specially to favour the imports of the synthetic product. On this latter point, negotiations are proceeding with the Japanese Government, and I trust that a satisfactory arrangement may be concluded. To the above list of questions, I have now to add that which has arisen in connection with the imposition by the

Russian Government on Indian teas of practically prohibitive duties on imports into Russia *via* the Black Sea ports. So far, the number of questions which arise in connection with foreign tariffs are relatively few, but I fear that as industries in this country develop the pressure of protective tariffs in foreign countries will make itself steadily and more severely felt.

“Countervailing duties on Sugar.

“32. I give below figures of quantities of imports of sea-borne sugar into British India:—

COUNTRY.	1899-1900.	1900-1901.	1901-1902.	1902-1903.	1903-1904 (10 months only).
REFINED.	Cwt.	Cwt.	Cwt.	Cwt.	Cwt.
United Kingdom	65,424	119,272	188,300	314,777	615,842
Austria-Hungary	777,821	1,321,310	2,257,928	888,018	45,262
Germany	60,526	401,980	577,139	145,666	4,596
Mauritius	1,417,115	2,085,156	1,759,203	1,915,664	1,954,138
China—Hongkong	316,975	487,439	182,564	568,452	335,950
Java	190,553	225,247	310,592	573,666	1,153,164
Straits Settlements	79,999	144,166	62,486	207,810	217,638
Belgium	766	1,467	2,055	186,543	99,047
Holland	311	400	500	79,127	82,139
Other Countries	26,502*	55,199*	87,336*	107,128*	368,087*
TOTAL	2,935,992	4,841,636	5,428,103	4,986,851	4,875,863

* Includes figures for Egypt and Ceylon.

“The points specially worthy of notice in this table are the increase of importations from the United Kingdom and Java which has been remarkable, and the great decrease practically amounting almost to cessation of imports from Austria-Hungary and Germany. The total importation in 1903-04 is slightly below the average, which for the last four years may be taken as approximately five million cwt. It will be at once apparent that the policy of imposing countervailing duties resulted in great encouragement to imports of sugar from those countries which give no bounties, with a corresponding reduction in importations from those which have been artificially protecting their sugar industries.

“33. The decisions of the Brussels Conference are now in force, and their execution is entrusted to a permanent committee on which the United Kingdom is represented.

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The position of the Government of India in connection with this arrangement is unfortunately complicated and involves a constant necessity of taking most difficult decisions. An opinion recently given by the law officers of the Crown and communicated as an instruction to the Government of India by the Secretary of State, shows that we are unfortunately not so entirely free from the effect of the Brussels arrangements as we had supposed, and this opinion obliged us to cancel at short notice, the arrangements which we had supposed ourselves at liberty to make, and which were embodied in the Act passed in Simla in August 1903, but we still endeavour to maintain the principle that countervailing duties shall be imposed on all imports of sugar profiting by direct or indirect bounties in the country of production. Our object has throughout been to secure fair play for the very important Indian sugar refining industry, without offering any other protection than naturally arises from our ordinary 5 per cent duty, on foreign imports and the charges for freight, etc., between the country of origin and the Indian ports. It may not always be possible fully to maintain this principle in practice, since it is almost impossible to ascertain the existence of indirect bounties in the manifold forms in which the foreign sugar refiners succeed in securing them, and I am inclined to fear that the Brussels Committee who are in a position to pronounce authoritatively on the matter, and to whose decisions weight must be attached, are prone to take what appears a somewhat lax view on the all important question of what constitutes or does not constitute a practical bounty. We now propose to take the only step which appears for the moment open to us by passing a fresh legislative enactment to renew the power of the Government of India to meet by countervailing duties such trade combinations as may have the effect of bountifying the exports of sugar from foreign countries.

"34. The net receipts from countervailing duties during the last four years have been as follows :—

	£
1899-1900	56,783
1900-01	140,465
1901-02	244,398
1902-03	73,360
1903-04 (Revised Estimate)	—24,324 (Refunds)

" Army Services.

"35. We still pursue our aim of increasing the efficiency of our defensive military forces, more especial attention being paid to questions connected with armaments.

stores, supply, transport, and mobilisation. I give the figures of net expenditure during the last five years, including the estimate for the coming financial year :—

	£
1900-1901	14,265,525
1901-1902	14,786,342
1902-1903	16,221,402
1903-1904 (Revised Estimate)	16,784,100
1904-1905 (Budget Estimate)	18,215,000

“ 36. The recent heavy increase of expenditure is in itself very regrettable. I can only say that the advice of the most expert military authorities shows it to be inevitable, and that it is small as compared with the charges accepted by other powers whose persistent and deliberate advance towards our Indian frontier obliges us to take precautionary measures. It is unnecessary here, and it would be out of place for me to venture on any discussion of purely military questions—they can only be properly appreciated by military experts, but the hurried extension of railways towards our frontiers and the general signs of the times are obvious to all men.

“ This year we have devoted a specially large sum to expenditure on armament, and particularly for the re-armament of the artillery with the most modern and effective weapons, it having been decided at home that India must be allowed priority of supply in the matter of new armament. This priority of supply involves priority of payment, and consequently we have been obliged to provide in our estimates the extraordinary sum of £700,000 for armaments.

“ There is one item in our military expenditure which causes no regret, but on the contrary is in many respects a matter even of congratulation; I allude to the considerable sums to be expended on ordnance factories. I submit a statement showing the sums allotted and spent to date on different establishments :—

NAME OF FACTORY.	Total amount of estimate,	Estimated expenditure to 31st March, 1904.	Grants allotted for 1904-1905.
	£	£	£
Cordite Factory, Wellington	201,250	210,883	2,000
Rifle Factory, Ishapore	235,333	182,356	40,000
Gun Carriage Factory, Jubbulpore	182,938	111,179	45,000
Ishapore Rolling Mills	170,938	85,630	76,788
Gun Factory, Cossipore	13,000	7,000	5,600
TOTAL .	803,459	597,048	169,388

Above figures are exclusive of establishment charges.

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"This expenditure will directly benefit the Indian tax-payer by lessening the cost of war material, it will also provide for the education in mechanical trades of a large number of labourers and artisans. The Cordite Factory at Wellington is about to commence work, and we anticipate that the Rifle Factory at Ishapore will be working before the close of the coming financial year, and that manufacture will commence in the Gun Carriage Factory at Jubbulpore, the Rolling Mills at Ishapore, and the Gun Factory in Cossipore, in the first half of 1905.

"Public Works.

"37. The following figures show the comparative capital expenditure on railways for five years: including the estimate for 1904-1905:—

	1900-1901.	1901-1902.	1902-1903.	1903-1904 (Revised Estimate).	1904-1905 (Budget Estimate).
	£	£	£	£	£
Open lines including rolling stock .	3,521,489	2,350,510	3,211,634	2,658,733	4,057,800*
Lines under construction—					
(A) Started in previous year .	1,674,013	3,393,756	3,016,666	3,408,000	3,333,000
(B) Started in current year .	122,266	170,933	476,764	480,400	609,200
TOTAL .	5,317,768	5,915,199	6,705,064	6,547,133	8,000,000

* Includes £400,000 for acquiring four railways.

"38. On March 31st, 1903, the total length of open railways was 26,308 miles classified as follows:—

5' 6" gauge	14,306
Metre gauge	11,205
Special 2' 6" and 2' 0" gauges	797
TOTAL .	26,308

"We have added to this during the current year:—

5' 6" gauge	218
Metre gauge	343
Special narrow gauges	277

or an increase of 838 miles, and we anticipate adding approximately another 608 miles during the coming financial year.

"We have every reason to be satisfied with the previous results of the development of railway communications, and we have therefore full confidence in the great

advantage of extending our railway mileage. If we could command the required capital for further construction, on reasonable terms, we should not hesitate to accelerate progress, and I trust that some solution may be found of the difficulties encountered in this respect.

“ Provincial Settlements.

“39. An important step has been taken during the past financial year in connection with the question of Provincial Settlements. In 1871 a great reform was inaugurated by Lord Mayo by the introduction of a system of provincial finance, having for its object to secure to the provincial authorities greater independence and control over expenditure. The system then introduced was revised in 1877 with the object of removing certain defects which had been disclosed by experience, and from that date until now it has been customary to revise the settlements every five years, the primary object of such revision having been to secure to the Central Government what might be considered their fair proportion in the growth of assigned revenues. In the earlier revisions, considerable reductions were made in the assignments, but on the occasion of the last, in 1897, the aggregate change was insignificant, reductions in certain provinces having been approximately balanced by increases allowed in others.

“It cannot be said that the system of quinquennial revisions proved satisfactory, for with such a short period of settlement, it inevitably occurred that in the first year of the term the Local Government was necessarily feeling its way under new conditions and cautious about expenditure, whilst in the last year, if, as was generally the case, balances were large, there was a natural tendency to extravagance, lest the terms of a new settlement might reduce resources for expenditure.

“The object of the arrangements now proposed is to give as great permanence as possible to settlements, so that Local Governments may be able to form plans involving expenditure, with greater certainty as to future means of providing for their execution, and at the same time have a more permanent interest in the growth of assigned revenues. It is evident that the Imperial Government cannot undertake any absolute obligation to maintain at all times a definite proportion between the share of increase of revenues, assigned to provincial administration, and that which it is necessary to retain to meet the growth of Imperial expenditure, and it must always reserve the right to make either special temporary, or more permanent reductions from provincial revenues, if the exigencies of the State should require such measures. It must also be borne in mind in apportioning shares of revenue to different provinces, that a larger proportionate assignment is required in the more backward provinces than in those which are older established and more highly developed. Subject to such considerations, every effort has now been made to treat Provincial Governments with reasonable liberality, and it is to

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be hoped that from this point of view they will find the new settlements equally satisfactory both at the outset and in future working. For the present the new system will be applied only to the provinces of Bengal, Madras, Assam, and the United Provinces. It is proposed to extend it in 1905-1906 to Bombay, the Punjab, and probably the Central Provinces, but it has been thought undesirable to enter into new arrangements with these until the lapse of another year, and the re-establishment of a normal financial situation which was entirely dislocated by recent famines.

"We have been obliged to consider with special care, the proportions of revenue to be assigned since any undue liberality in a settlement, which it is desired should be of long duration, would, even without abnormal circumstances, inevitably lead to a necessity for revision at a relatively early date; to enable Local Governments, pending the realisation of increased resources through the natural growth of the assigned revenues, to meet certain immediate requirements, in easy circumstances, it has been decided to accompany the new conditions by large initial grants amounting for the four provinces now dealt with to an aggregate of 150 lakhs.

"It is unnecessary to enter here on questions of detail in connection with the new arrangements. Full details are given in the appended statement by the Secretary in the Finance Department.

"Remission of Taxation.

"40. Last year we were able to announce an important remission of taxation under the heads of Salt and Income Tax, which was estimated to result in a possible loss of £1,393,000 of annual revenue. I am happy to be able to state that the actual loss under the two heads has proved somewhat less than the maximum we anticipated. Under Salt we have lost £1,024,405, and under Assessed Taxes, which for practical purposes may be taken as representing Income Tax, we have lost £195,928, or a total under the two heads of approximately £172,667 less than we allowed for.

"41. The real test of the result of the reduction of salt dues must be sought in the progress of consumption. I give the figures for the last four years of the quantities in maunds on which duty was paid, prior to delivery for consumption. They are as follows :—

1900-1901	.	.	.	.	.	.	36,151,040
1901-1902	.	.	.	.	.	.	36,045,172
1902-1903	.	.	.	.	.	.	36,876,782
1903-1904 (Revised Estimate)	.	.	.	.	.	.	37,306,000

"It will be observed that the increase over quantities in the previous year is estimated at 429,218 maunds. This may be taken as roughly indicating a corresponding

increase in consumption, which would undoubtedly have been greater had not salt stocks in the Bombay Presidency been damaged so seriously by a cyclone in the month of May last, that a scarcity ensued, considerably raising prices in that part of India and thereby unduly checking consumption.

"It must be remembered, however, that the figures representing the number of maunds on which duty has been paid in any particular year, do not accurately represent the consumption, since, particularly in regard to salt imported from abroad, there is a certain element of chance, independent of actual consumption, in the number of maunds on which traders may decide to pay duty at any particular date or season ; but, if we take a period of two or three years and compare it with another similar period, a comparison of the quantities on which duty has been paid will correctly indicate the position. We must therefore wait for at least another year, so as to be able to take two years together under the new conditions, and to say for certain what has been the precise effect of the reduction of the duty by 8 annas. Meanwhile, we have made enquiries from the Local Governments on the subject, and from the reports of the officers consulted, it seems quite clear that the reduction in the tax had an important and almost immediate effect in reducing the price of salt in those parts of the country where no abnormal circumstances intervened. The reports furnished are fairly unanimous in their conclusion that an immediate gain as regards the number of seers purchaseable for a rupee was secured by consumers who were in a position to buy salt by the seer, while it is generally held that a smaller, though direct, gain was also secured by all who were in a position to purchase salt by weight and as a commodity by itself. Unfortunately, however, it would not appear that the natural reduction in price has so far fully reached those consumers of the poorest classes who take their salt in doles from the bunniahs along with other articles. It may be anticipated that in due course the influence of competition will make itself felt in favour of the last class also.

"42. As regards the Income Tax, there can be no doubt that the intended benefit was directly secured by all classes entitled to it, and the difference between the estimated loss and that which has actually been incurred, may properly be ascribed to the natural growth in this source of revenue, due to the increasing prosperity of the class affected, and also to improving administration.

"43. I have observed with regret, though without surprise, that the concession already given has led to fresh suggestions that the tax should be abolished altogether. The total abolition of the Income Tax is, in my opinion, quite outside the range of practical politics. The Government of India is unlikely ever to be able to afford the great sacrifice of revenue which a total abolition of the tax would involve, unless compensation were found in some other direction, and if at a future date further

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remission of taxation should appear advisable, there are other classes of the community whose claims for consideration appear to be very much stronger than those of the wealthier section who are the principal contributors of Income Tax. Moreover, whilst this tax is paid exclusively by the class deriving, perhaps, the greatest benefits from the administration towards the cost of which it contributes, it is one which automatically adjusts itself to the means of the tax-payer. I have only heard one even *prima facie* plausible objection to the Income Tax, and that is that whilst the profits of business vary from year to year, the tax falls on lean or deficit years with the same severity as regards percentage, as on the profits of good years. But this objection falls to the ground if the provisions of the law regulating the incidence of the tax are considered, since under those provisions the tax-payer has the option of being taxed either on the profits of the actual year or on those of the preceding year, whichever may be less.

“Economic Progress.

“44. Our reports and returns show that India is now happily free not only from famine, but to a great extent from the effects of famine even in the more sorely tried provinces and districts. Two successive years of very generally good harvests throughout the country have had a marvellous effect in restoring material prosperity, although it could not be expected that they should suffice entirely to wipe out losses, particularly where the prolonged droughts resulted in very heavy mortality among cattle.

“45. Plague, alas ! is still with us, and the death rate shows no sign of diminishing. Not only does this terrible pestilence, which claims its victims by hundreds of thousands a year, render happy homes desolate, but it is, and must continue to be, a cause of prejudice and dislocation to trade and industry, though perhaps less so than in earlier years, since the people have become accustomed to its appearance and are more ready to continue their daily avocations in spite of its ravages. Still, as an example of its effect, I may mention that during the violent outbreak in Cawnpore last November, both the mills and the Government harness factory in that important industrial centre found it most difficult to keep their hands together, and were in many cases working under very serious difficulties, whilst I fear that in some establishments actual loss was incurred. In spite, however, of such misfortunes as I have alluded to, we are justified by the consideration of all relative facts and figures, in holding that the country continues to make very satisfactory progress as regards general development of material prosperity. Last year I gave as an important indication of such progress, the figures of revenue for four years, under the heads of Salt, Excise, Customs, Post Office, and Stamps. I now repeat these figures, substituting the revised estimate for 1903-1904 for

the accounts 1899-1900, and accounts for 1902-1903 for the revised estimate in that year :—

	Accounts, 1900-1901.	Accounts, 1901-1902.	Accounts, 1902-1903.	Revised Estimate, 1903-1904.
	£	£	£	£
Salt . . .	5,967,034	5,939,310	6,184,405	5,160,000*
Stamps . . .	3,342,948	3,446,406	3,473,711	3,588,100
Excise . . .	3,937,202	4,076,681	4,426,642	4,925,500
Customs (excluding countervailing du- ties and silver) .	3,131,223	3,358,870	3,579,116	3,634,200
Post Office . .	1,357,156	1,383,709	1,429,935	1,480,800
TOTAL .	17,735,563	18,204,976	19,093,809	18,788,600

* Decrease due to the reduction in the rates of duty. According to old rates of duty the revenue would have been approximately £6,350,000.

“The rate of progress as indicated by the figures is clearly very satisfactory, but I must call attention to the fact that the returns have been increased in 1902-1903 and 1903-1904 by the addition of Berar revenues. The totals revised to exclude Berar figures, and taking salt duties at the old rate, would stand as follows :—

1900-1901.	1901-1902,	1902-1903.	1903-1904.
£	£	£	£
17,735,563	18,204,976	19,002,786	19,793,500

“These figures appear to me to offer the most incontestable evidence of steadily maintained and increasing prosperity.

“As I mentioned last year, land revenue is deliberately omitted from this table since returns from this source are from time to time abnormally affected by revisions of settlements, and the bringing under settlement of newly irrigated and cultivated lands, as also by remissions made to facilitate recuperation in specially afflicted areas; also, I should again call attention to the fact that the progress of the Post Office returns is frequently adversely influenced by changes in the nature of concessions and reductions in rates charged.

“46. Another very important indication of the situation is offered by the growth of deposits in the Post Office Savings Banks and in the Presidency Banks, as also by the investments in Government stocks made through the agency of the Post Office. I submit figures under these heads.

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Growth of private deposits in the Presidency and Joint Stock Banks and in the Postal Savings Bank.

BANKS.	1899.	1900.	1901.	1902.	1903.
	£	£	£	£	£
Presidency Banks . .	7,470,166	8,504,217	9,815,765	11,798,852	12,113,125
Joint Stock Banks . .	4,894,959	5,306,364	5,898,656	6,846,845	7,262,957
Postal Savings Banks .	6,285,336	6,430,964	6,695,505	7,121,415	7,614,369
TOTAL .	18,650,461	20,241,545	22,409,926	25,767,112	26,990,461

NOTE.—The figures for the Postal Savings Banks are the balances on the 31st March of each year, whilst the figure for the Presidency and Joint Stock Banks are the balances on the 31st December.

Investments in Government securities made through the Agency of the Post Office.

	1898-99.	1899-1900.	1900-1901.	1901-1902.	1902-1903.
Number of investments .	603	516	557	527	556
Nominal value of investments . . . £	27,887	22,667	26,493	25,287	25,487

“47. I now turn to the question of agricultural development. I trust that in doing so once a year, I may not prove wearisome, but I desire to insist on the fact that it is before all things, the prosperity of the agricultural population on which the general economic prosperity and financial stability of this country must depend. I must remind Honourable Members that executive action in connection with this question is in the province of my Honourable Colleague in charge of the Revenue and Agricultural Department, but progress and success are, and always must be, the deepest concern of the Department responsible for revenue returns.

“I am glad to know that more has been done by Government for the development of agriculture than appears to be generally recognised by the public. A few weeks ago a Government Resolution was published giving in outline the arrangements now being carried out for the establishment of a first class agricultural institution at Pusa, at very considerable cost. Personally, I cannot but welcome the heavy demands for expenditure on that institution, since I firmly believe that under the able guidance of such thoroughly practical and scientific men as Dr. Mollison, the Inspector General of Agriculture,

and Mr. Coventry who has been named Principal of the establishment, our expenditure will be returned some hundredfold ; and it is a real happiness to think that whatever advantages may accrue to the fisc through their success, such advantages being dependent on, must necessarily be accompanied by, a corresponding amelioration in the condition of the agriculturist, that is of the great bulk of the population of this Empire.

"48. In dealing with a conservative population, we cannot, particularly in agricultural matters, expect startling, immediate improvements. The Indian ryot profiting by the accumulated experience of centuries, has been pronounced by competent Europeans who have closely studied his methods, to be a first class agriculturist within the limits of the situation in which he finds himself. He is both intelligent and practical, and though averse to change, he has shown himself by no means unwilling to adopt real improvements suited to his circumstances, when by example he has been shown the indubitably satisfactory results of their adoption. What we desire is that he should profit not only by his own experience and that of his forefathers, but also by that acquired by the application of scientific principles in foreign lands necessarily beyond his ken ; and, moreover, it must be remembered that the extent of this great Indian Empire and the variety of conditions prevailing therein are such that, pending that interchange of information and thought which is to-day non-existent among the agricultural classes, the experience of the east cannot penetrate to the west, nor that of the centre to the frontiers. We must avoid haste to force new ideas, but we must aim at the introduction of improved varieties of staple products, and of crops grown in one province, into another where they seem likely to succeed ; at inculcating the value of good qualities of seed, of certain more readily procurable manures, of chopping fodder, of ensilage, and of improving breeds of cattle ; we must teach the treatment of crop and cattle diseases, and exemplify the utility of some of the simplest agricultural implements.

"49. The recent extraordinary speculation in cotton in America has drawn the attention of those connected with cotton manufacture in all parts of the world, to the necessity of increasing the area of supply of the raw article, and naturally many eyes have been turned to India as a country where everything points to the possibility of great development of supply and improvement of quality. From certain paragraphs in the press, it would appear to be assumed that the Government of India has hitherto remained blind to the importance of this question, but I can state from personal knowledge that such is not the case. Since he entered on his present duties, and indeed long before that date, Dr. Mollison has been devoting his attention and energy to the improvement of the quality of our Indian cotton. I have myself seen some of his experiments in producing new hybrids and in cultivating different varieties from imported seeds, at the Government agricultural farms at Poona and Cawnpore. My opportunities of personal observation have naturally been restricted, but they have been sufficient

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to convince me that the question is receiving the most earnest attention, that important knowledge has been acquired, and that we may well hope in due course to arrive at valuable, practical results. In the Central Provinces, Mr. Sly, the energetic Commissioner of Settlements, to whose valuable work I referred last year, continues to be able to report good progress. Satisfactory results continue to be obtained from the working of the demonstration farms. The cultivation of cotton and jawar has been introduced in districts where hitherto it did not exist. Cultivators are beginning to adopt improved methods ; the picking of seed for the eradication of smut in jawar is now practised successfully in certain districts, and extermination of grasshoppers has, as a result of practical demonstration in some districts, been successfully undertaken in others. Selected seeds of good varieties have been distributed through the District Agricultural Associations, several of which bodies have done really good work. Cattle breeding is receiving attention with the object of distributing good bulls. Cotton growing has also been encouraged on suitable lands, and as a result of such encouragement and greatly increased prices, the area under cotton in 1902-1903 was 18 per cent larger than in the preceding year, and 66 per cent above the decennial average. Apparently it does not pay to carry cotton more than fifty miles by road to a mill or railway, and feeder lines are said to be a desideratum to induce still more extensive cultivation. The number of paying subscribers, mostly cultivators, to the monthly Agricultural Magazine has increased to 1,800, and 1,800 copies have already been sold of a small work in the vernacular containing a re-print of matters of permanent interest published in the first issues of the monthly magazine.

50. I may add that in Madras attention has lately been turned to the possibility of minor irrigation by means of wells from which the water is drawn by oil engines and wind mills, and there is every reason to believe that the experiments, particularly those with oil engines, will lead to practical and useful results.

51. High prices of American cotton have already resulted in an increased European demand for Indian cotton, and Japan has also been an important buyer. India can well afford to sell its cotton at relatively lower rates than those prevailing for the American article, and it may reasonably be anticipated that as continental buyers become more accustomed to look to India for their supplies, and if, to our supplies of short-stapled cotton, which has its special uses and markets, we add a long-stapled variety, the export trade will still further develope to the great profit of both the agriculturist and the trader ; and let me here say that the trader can make no profit which is not shared by the agriculturist : under present conditions in this country, their interdependence is absolute.

52. The export of tea continues to increase and the shipments for the past season, up to the end of February, are estimated at 200 million pounds, as compared with 174

and 175 million pounds in the two preceding years. The growth of exports to the United Kingdom has not been as considerable as might have been anticipated in normal circumstances, and it is believed by those specially interested in the trade that it has been somewhat checked by the heavy additional duty imposed on imports into Great Britain. We have recently heard unofficially that the Colonial Government has decided to admit imports of Indian tea into New Zealand, free of duty, and we may hope that such a concession will materially encourage consumption. A very satisfactory feature in the export trade has been the increase from 8 $\frac{3}{4}$ million pounds exported to America and 'other foreign markets' in 1901-1902, to 22 $\frac{3}{4}$ million pounds exported in 1903-1904; the 'other markets' include Russia, to which country the quantities exported are rapidly increasing. It may be hoped that means will be found still further to develop this most important trade, but for the moment it has received a check through the blocking of the Siberian Railway, and the increase in the already enormous duty levied on tea imported *via* the Black Sea. This increase must always tell against Indian teas and in favour of the Chinese leaf. When the trade was conducted through the Black Sea ports, India had the advantage of the lower freight from Calcutta to Odessa, as compared with that from Shanghai to Odessa, whilst by the Siberian routes, a corresponding advantage is secured by the Chinese teas. In this connection, I may mention that the production in India and sale of green teas are rapidly increasing, affording a new branch of development in the general trade.

"It may, I think, reasonably be anticipated that the efforts of the Tea Cess Committee will lead in due course of time to considerable development of sales, both in foreign markets and for home consumption in India, and Government willingly gave the assistance sought for by the Tea Association in the matter of establishing a tea cess.

"Prices, I regret to say, have not been so remunerative as desirable during the last few years, but this circumstance has had a wholesome effect which will bear good fruit in the future, in checking undesirable extension of plantations on unsuitable lands. During the past season good prices were once more secured; the following figures show the fluctuations during the last six years:—

" *Calcutta Sales.*

						R	a.
1898-1899	.	.	.	.	.	561,336 packages, average	5 8
1899-1900	.	.	.	.	.	560,719 do. do.	5 11
1900-1901	.	.	.	.	.	571,948 do. do.	5 3
1901-1902	534,923 do. do.	5 5
1902-1903	561,271 do. do.	5 3
1903-1904 (up to February 25)	609,326 do. do.	5 10

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" 53. The future of indigo is still a question of deep concern, and although I fear that those who have been disappointed at the prices obtained during the past season may not readily agree with me, I cannot admit that there is real ground for despondency. On the contrary, continued steady perseverance on right lines would appear alone to be required to enable natural indigo, the produce of India, to hold its own with synthetic indigo. This is a purely business question and one which must be considered with due regard to facts, and facts only. It is a fact that when synthetic indigo was first introduced, the price asked was 17 pence per pound, and that the price has steadily declined to the present average of about 8 pence per pound. This is a very heavy fall, and I would urge attention to the fact that the manufacture of synthetic indigo was started on the basis of a price of 17 pence per pound, and that the manufacturers have suffered at least equally with the indigo planters by the great reduction in price due to competition. Now I ask what would have been said ten years ago if it had been suggested to the indigo planters that they would have to accept a price approximating ₹100 per maund for their product? They would have declared a fall to such a price to be impossible, and yet planters' indigo has been sold, and sold at a profit during the past season, at ₹110 per maund, by those who in the present still regrettably incomplete state of preparation for the struggle, have in favourable circumstances shown energy and intelligence in the conduct of their business. Prices have this year been some 30 per cent below those of last season and have varied from 80 rupees to an exceptional maximum of 195 rupees per maund, for a special parcel of 21 chests of Peeprah indigo; the average, exclusive of this particular sale has, however, probably not exceeded ₹120. Greater attention is being paid by buyers to quality, and indigo of low grade finds a market with much difficulty at Bengal prices. The total sales for the season, of Bengal indigo are not likely to exceed 50,000 maunds, and the sale value will probably be about 50 to 60 lakhs, as compared with upwards of 3 crores realised a few years ago, when prices were higher and production much larger. Madras indigo, though of inferior quality, is still largely sold at relatively low prices; it is estimated that some 23,000 cwt. were sold, at an average price of about ₹157 per cwt.—a decline of about 20 per cwt. as compared with prices two years ago.

" 54. The improvements necessary to effect a reduction in the cost price of indigo were (1) that the plantations should be placed on a sound financial basis, and cease to remain in a position where requirements for cash in seasons of dear money, could only be satisfied by transferring profits from the pockets of the planters to those of the money lenders; (2) economy in management; (3) selection of seed and propagation of the qualities yielding the highest percentage of indigotine and best suited to local conditions of climate and soil; (4) rotation of crops to obtain good profits from the land when not under indigo, and thereby reduce the cost of cultivation of the plant; (5) chemical improvements in manufacture.

“(1) The transformation necessary to place indigo properties on a sound financial basis is proceeding, and in some instances at regrettably heavy cost to those who in the halcyon days of the industry had thoughtlessly allowed their financial position to become too involved to stand a crisis. The change has involved loss of fortune to individuals, but this is by no means synonymous with the failure of the industry. (2) The hard lessons of recent years have resulted in important economies in administration. (3) The attention of Mr. Coventry and other men of intelligence and energy interested in indigo, has for a long time past been turned to the cultivation in India of a plant which should produce a higher percentage of indigotine than that which a few years ago, in the absence of competition, sufficed to yield handsome profits. Agricultural experiments are necessarily slow in development, but the result of experiments has already shown that plants propagated from the Natal seed, acclimatised in Java, will yield some 50 per cent more leaf of excellent quality than is obtained from the plant known as ‘*Tinctoria*’, which has hitherto been generally cultivated in India. Again, it has been shown that the new plant can be grown as a perennial, and even if only left in the ground for two years, this will lead to material reduction in the cost of cultivation. Further, and not least, the new plant is immensely superior to the *tinctoria* in withstanding the effects of inundation, drought, and cold. (4) The introduction of a reasonable system of rotation of crops, which is becoming fairly general, has had the result that in spite of the low price of indigo, certain favourably situated land-holders have been able to realise 10 per cent profit on the cultivation of their lands, and it further leads to the hope that the value of the ‘seeth’ as manure for rotation crops, may pay, or nearly pay the cost of cultivation of the indigo. (5) As regards chemical improvements, experiments are still proceeding, and though it is impossible to say that any remarkable result has so far been achieved, it is incredible that nothing will be achieved by that persistence in research which is now being earnestly pursued.

“It seems to me unquestionable that there is still a large margin for reduction in the cost of production of indigo, and this large margin should more than suffice to turn the scale against the artificial product, whilst leaving fair profits in the pockets of the planters. There is certainly a limit to the price at which synthetic indigo can profitably be sold, and many are of opinion that, although competition may induce manufacturers to temporarily accept losses and reduce prices, the profitable limit has been already reached.

“55. On one point I may perhaps venture to offer a word of warning to our planters. I am fully sensible of the difficulties of their position with which I sincerely sympathise, but I fear that many still fail to realise in a practical manner the situation which is created by the keen competition of their European manufacturing rivals, and that season after season they continue to expect high prices and by so doing they alienate buyers who would willingly take their products were prices more in accordance with those for

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which the artificial article is to be obtained. It is not business to continue to work at a loss, but it is an essential factor in business to keep your competitor out of the market by temporary acceptance of the lowest possible price, and thus to force him either to accept losses, or to retire from the competition.

"56. Exports of rice in 1902 were by far the highest recorded up to that year, but they were surpassed in 1903, when the total value exported was approximately 13 million sterling, of which shipments from Burma were for upwards of £9,000,000.

"57. It is roughly estimated that only about one-seventh of the wheat grown in India is available for export, the remainder being retained for local consumption. The amount exported naturally depends both on harvest yields, and on the European market price. This winter the price abroad has been favourable for export, whilst in India harvests have been abundant, particularly in the Punjab, with the result that the value exported in the year 1903 exceeded $6\frac{1}{2}$ millions sterling, and was more than double that in the preceding year.

"58. The export trade in seeds has as regards quantities, increased rapidly during the last three years, but owing to falling prices, values have not kept pace with quantities. Approximately, 1,000,000 tons were shipped in 1901, and about 1,270,000 tons in 1903; the corresponding values being about £9,765,000 and £10,083,000; out of these totals, the exports of linseed averaged in value about 4 millions sterling. Whilst the quantity of linseed exported has increased considerably, values have remained practically stationary under the influence of unfortunately declining prices, owing to the serious competition of shipments from both North and South America, and during the past season, particularly from La Plata. The other two most important classes of seeds exported are rape and til; the value of the shipments of the former in 1903 was £1,627,000 and of the latter £1,990,000. The exports of til are increasing very rapidly with well maintained prices.

"59. The last jute crop was estimated at the large figure of approximately $6\frac{1}{2}$ million bales, but nevertheless prices have been well maintained throughout the season and have yielded large profits. The total arrivals of jute in Calcutta up to January 31st, 1904, are estimated to have exceeded those of the previous year by 20 per cent, whilst exports of jute and cuttings are said to have been upwards of 10 per cent greater than in the season 1902-1903, approximating, though not quite reaching, the record shipments in 1901-1902.

"60. The progress of the jute manufacturing industry has been even greater than that of the export trade in the raw material, and is indeed very remarkable. The number of looms at work has increased from something short of 10,000 in 1895 to nearly 20,000 to-day, and the development has been particularly rapid in the last two years, during

which the number of looms has been increased by upwards of 3,000. During the latter part of the past year there was a very good demand for gunnies and hessians, and the result of the year as a whole, has, I believe, been quite satisfactory to manufacturers.

"61. Great as has been the development of jute manufacture, cotton still remain our premier Indian industry. From one point of view, that of increasing production, the progress of the Indian mills has been very satisfactory. I give the figures showing the production in yards of grey goods during six successive years, together with corresponding quantities imported and the totals indicating general consumption.

'Quantity of Cotton Piece Goods (Grey) imported into, and produced in, India.

YEARS.	Grey goods imported from other countries into India.	Grey goods produced in India.	TOTAL.
	Yds.	Yds.	Yds.
1897-1898	1,149,479,541	323,356,019	1,472,835,560
1898-1899	1,257,720,612	355,709,050	1,613,429,662
1899-1900	1,274,912,153	329,420,397	1,604,332,550
1900-1901	1,192,173,060	341,176,942	1,533,350,002
1901-1902	1,186,764,327	409,744,993	1,596,509,320
1902-1903	1,283,680,181	406,316,717	1,689,996,898

"It will be seen that whilst there has been some small increase in imports, production in India, in spite of a temporary set-back due to the last famine, has increased by upwards of 25 per cent in the short space of five years, whilst total consumption has increased by approximately 15 per cent. This by itself should certainly indicate increasing profits to millowners, since the larger the outturn, the less is the cost of production. Nevertheless, I am afraid that while certain well-managed mills on a sound financial basis, have made, and are likely to continue to make steady profits, a large proportion have been doing more or less badly for some time past. Many mills have suffered from the fact that their working capital has been quite insufficient; their ordinary requirements for financial accommodation have cost too much to leave a profit on the turn-over in these days of close competition and generally cheap money, while in times of financial stress, they are liable to be entirely overwhelmed by the difficulties of their position. A good many mills have in such circumstances naturally changed hands during recent years, and it is to be hoped that with a fresh start on a proper financial basis, and:

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with the more competent management for which I am inclined to think there is sometimes an indisposition to pay the necessary price, a fresh start may be made and profitable business developed. Latterly, special difficulties have beset those millowners who neglected to buy cotton ahead and who have consequently found the price of the raw article increasing out of all proportion to the price of yarns, which it must be noted has been prejudiced by the competition with Japan for the China trade. Weavers have fortunately fared better than those who are only spinners, as the former are not so dependent on the China trade, and demands for the home market have been sufficiently good and are likely to increase. I think that the future success of the Indian cotton industry lies in the development of weaving and the abandonment of a position of dependence on the sale of yarn in the China markets. I would venture to urge cultivation of the home markets.

“62: I notice the continuance of complaints against the cotton excise dues. On this question it is argued that as the cloths made in India are of different textures to those made in Lancashire, there is no direct competition between them, and therefore, that the abolition of the dues could not be considered as a protective measure. As far as the argument goes, there appears superficially to be something in it, but it seems to be omitted from consideration that the consumption in India in any given year, is more or less a fixed quantity as regards the number of yards required, and that if the cheaper price of the Indian textiles secures for them a good market in competition with the finer textiles from Lancashire; the latter must be displaced by the former. Further, I am led to believe that the Indian mills already enjoy considerable practical protection, since charges between Manchester and the Indian bazars (including packing, freight, interest, etc.), are said to amount to fully ten per cent on cost price in Manchester. Moreover, it must be remembered that a certain amount of revenue is a necessity to provide for the administration of the country, and the cotton excise dues now return upwards of 20½ lakhs, having increased from Rs 11,62,947 in 1900-1901. It is very easy to object to any and every class of taxation, but those who make objections should, I think, offer suggestions as to how revenue could be maintained if their objections were to be admitted. As I pointed out last year in the discussion on the budget, it is impossible to believe that the average enhanced cost to the individual consumer of cotton cloth on account of the excise exceeds 3½ annas per annum, and the steady increase in consumption, which is an undeniable fact, sufficiently proves that present rates have had no prejudicial effect on its development. I would particularly call attention to the fact that the receipts on account of customs duties on cotton goods, on sugar, and on petroleum, constitute upwards of 40 per cent of the revenues derived from customs on imports, but the proportion is diminishing, and as Indian industries develop and check imports, there must inevitably be a steady and serious diminution in the returns under these heads, for which some compensation must be found. In the case of cotton goods, it is ready to hand in the shape of a steady

growth in returns from excise dues on the local manufactures, and for this reason, if for no other, it appears to me impossible to seriously consider their abolition.

" 63. Importations of piece goods have been rather below the average, but the generally prosperous condition of the country has produced a demand sufficient to absorb more than the average annual imports, and as a result, stocks are greatly reduced; in Bombay they are the smallest on record. It is possible that for some little time a maintenance of higher prices will continue to restrict imports, but this position of affairs cannot last, and we may with some confidence look forward to a brisk and prosperous trade in piece goods in the near future.

" 64. Coal continues to be a very important item in the export trade. Last year I noted that this trade had received a check, and I regret to say that although towards the close of the past year there was a slight improvement in the market, the very low prices which have prevailed have had a serious effect on the profits of many coal mining companies. I have reason to fear that unsatisfactory prices are in part due to the fact that the quality of Bengal coal has suffered in reputation abroad, owing to unfortunate shipments of inferior stuff when the demand was brisk. All is not gold that glitters, and buyers soon show their appreciation of the fact that all is not coal that is black. That there is room for improvement in the methods of handling and carriage from the mines to ship-board is admitted on all sides, while it has been observed by competent experts that, speaking generally, actual mining operations are far from being generally conducted in the most scientific and economical manner. There is, therefore, apart from possible natural increase in demand, room in more than one direction for such improvement as would increase the profits of the business. I give the figures of export of Bengal coal during the last four calendar years, together with the figures for the quantities of bunker coal supplied to steamers in Calcutta.

	1900. Tons.	1901. Tons.	1902. Tons.	1903. Tons.
Exports	1,734,551	2,008,322	1,716,556	1,953,914
Bunker	615,504	674,645	697,017	703,225
TOTAL	<u>2,350,055</u>	<u>2,682,967</u>	<u>2,413,573</u>	<u>2,657,139</u>

" It will be observed that the totals for 1903 are approximately equal to those for 1901, which, however, still remains our record year.

" 65. The petroleum industry is advancing by leaps and bounds. I submit figures showing consumption of kerosine during the last five years, and the sources from which the demand has been supplied.

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Production of Kerosine Oil in Burma and Assam, and importations into India from foreign countries.

	1899-1900.	1900-1901.	1901-1902.	1902-1903.	1903-1904.*
	Quantity (gallons).				
Kerosine Oil produced in Burma	9,947,930	14,428,422	18,317,164	25,303,906	38,694,192
Kerosine Oil produced in Assam . . . . .	...	156,740	241,379	671,486	1,200,052
TOTAL	9,947,930	14,585,162	18,558,543	25,975,392	39,894,244
Kerosine Oil imported from Russia	57,688,204	67,350,656	84,477,876	71,125,438	57,500,000
Kerosine Oil imported from United States	12,731,934	5,102,459	5,768,226	9,229,244	7,000,000
Kerosine Oil imported from other countries	49,978	148,783	1,221,364	1,096,573	5,500,000
TOTAL	70,470,116	72,601,898	91,467,466	81,451,255	70,000,000
Total consumption of Kerosine Oil in India	80,418,046	87,187,060	110,026,009	107,426,647	109,894,244

* Estimated figures for last two months.

"It will be observed that whilst consumption steadily increases, Indian production already suffices to satisfy nearly forty per cent of the total demand. Burma already supplies upwards of $38\frac{1}{2}$ million gallons, and Assam, where the industry has begun to develop, is, I understand, in a position to supply two million gallons in the coming year, with a rapidly increasing production. The imports of American and Russian oils are naturally declining, but, on the other hand, those of what is known as Straits oil are increasing. American kerosine has now become practically an article of luxury used only by those who like to pay a high price for a specially good article. Improvement is desirable in the quality of the Indian oils, which are still distinctly inferior to both American and Russian oils, but I understand that improvements are being introduced in refining processes, and that as oil is drawn from the lower strata it will be found to be of a lighter character.

"66. The export trade in hides is of very great importance, but it is particularly susceptible to influences causing wide fluctuations both in volume and in price. In times of famine, the difficulty and sometimes impossibility of providing fodder, leads to wholesale slaughter and low prices, whilst after a few prosperous years, the number of cattle increases and the number of hides for sale also increases. To-day an unsatisfactorily large proportion of our hides are exported in the raw state, and a large development of the tanning industry is much to be desired. Special attention is being paid to

this question in Madras where it is hoped that the chrome-tanning process may be introduced with success. Cawnpore is the most important centre of the leather industry, the successful development of which enabled us to supply large quantities of leatherware (boots and saddlery) for the army in South Africa. This industry is at present labouring under two difficulties—deficiency of tanning material and shortness of labour. The want of tanning material is attributed to a depletion of stocks of cutch during the recent years of famine, but we may hope that this will prove a temporary difficulty. Shortness of labour for industrial purposes is a cause of serious complaint in many parts of India, and I fear that it will not be easily remedied. In course of time, a sufficient industrial class will come into existence, but the people are conservative in their habits, and they prefer working in their homes to the restrictions of a mill, whilst any extensive employment of female labour is, for various reasons, almost impossible. High wages offer little attraction to the agriculturist who, in normal times, finds all his requirements supplied by the fruits of congenial labour in the fields.

“67. It is, I believe, often urged in quarters which appear to be strangely misinformed, that if we look back, say 20 years, it will be found that the raiyat has been impoverished by a steady fall in the price of his produce. I have examined this question as far as the information at our disposal permits, and I submit a table showing the average wholesale prices of certain articles of export from India in the years 1873, 1883, 1893, and 1903, at Calcutta, Bombay, Karachi, and Rangoon, respectively.

“ *Average annual wholesale prices of certain staple articles of export from India.*

Ports and Articles.	Per	1873.	1883.	1893.	1903.
<i>At Calcutta.</i>		<i>R a. p.</i>	<i>R a. p.</i>	<i>R a. p.</i>	<i>R a. p.</i>
Jute	Bale of 400 lbs. .	23 13 6	22 4 9	36 10 10	35 5 4
Rice	Bazar maund . .	2 7 8	2 8 2	4 1 8	3 9 7
Linseed	” ”	4 11 3	3 14 6	5 7 9	4 14 0
Rapeseed	” ”	4 8 9	4 11 6	4 11 1	4 2 0
Silk, raw	Factory seer . .	21 7 8	16 4 11	19 6 4	15 13 6
Hides, cow	20 lbs. . . . .	...	...	13 2 0	16 12 0
<i>At Bombay.</i>					
Cotton	Candy of 784 lbs. .	199 10 0	171 7 3	199 6 11	203 0 0
Linseed	Cwt.	6 0 6	5 6 0	7 11 1	6 14 0†
Wool	Candy of 588 lbs. .	192 8 0	187 8 0	132 8 0	115 0 0
Wheat	Cwt.	5 1 9	3 13 8	4 5 9	4 5 5
<i>At Karachi.</i>					
Wool	Maund of 82 lbs. .	35 8 0	25 14 10	27 3 3	21 4 10
<i>At Rangoon.</i>					
Rice	Cwt.	2 7 8	3 8 6	3 11 7	4 3 1*

* Prices have fluctuated greatly owing to speculation. | † Prices have since fallen.

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"It will be observed that while prices have varied considerably at different epochs, in the great majority of cases there has, over the period, been an increase in Calcutta prices, the only really notable exception being with regard to silk. In Bombay, prices of cotton and linseed increased, whilst those for wool and wheat have fallen, the former considerably; wool has similarly fallen at Karachi, but at Rangoon the price of rice, the staple export, has very materially improved. I would point out that as each ten years of the period under consideration rolled by, facilities of transport have under the influence of railway construction, steadily and enormously reduced the cost of delivery from the ryots' hands to the export markets, whilst also reducing the number of middlemen through whom produce finds its way from the interior to the sea coast. Now, this decrease in cost of carriage is equivalent to so much direct profit to the producer; it is therefore absolutely certain that the increase shown in prices at the ports, forms but a small proportion of the total gains to the ryot from the enhanced prices which he has realised locally.

"An examination of this question would be incomplete without some reference to the influence of exchange. The variations in exchange were steadily favourable to increase in rupee prices of exports from 1873 to 1893 and unfavourable during the last ten years.

"The average exchange value of the rupee in the four years tabulated was:—

1873-1874.	1883-1884.	1893-1894.	1903-1904 (Estimate).
22'351 <i>d.</i>	19'536 <i>d.</i>	14'546 <i>d.</i>	16 053 <i>d.</i>

"68. Whilst the facts noted offer a complete answer to those who have of late years been talking of the impoverishment of the ryot, I must state that in my personal opinion we are likely during the next few years to witness some decline in the export price of agricultural produce. Such a decline, it seems to me, must inevitably result from the improvement of communications, and the bringing of new lands under cultivation in foreign countries, and particularly perhaps in Canada and in South America. The natural decline from such causes should however be at least compensated, if not more than counterbalanced, by improvements in our own communications in India, in agricultural methods, and I venture to hope also by reduction in our railway tariffs. The most important step which can be taken to meet the situation will, however, I apprehend, be found in the development of industries based directly on agriculture, that is in locally working up our raw products, extracting our own oils from seeds, producing our own textiles from silk, cotton, and wool, tanning our own hides, etc. For thoroughly satisfactory progress in this direction we must await the awakening of a keener spirit of enterprise among our Indian fellow subjects. At present, industrial undertakings are chiefly dependent on foreign capital, supplemented by the small savings of Anglo-Indians who naturally invest all they can spare in a country where prevalent rates of interest are much higher than in Western Europe. I trust, however, that it will

not be long before a great development is witnessed in industrial enterprise, although, I must point out that when it takes place, we shall find ourselves in a very different position from that of to-day, as regards the effect on our trade of protective tariffs in foreign countries.

"69. Notwithstanding many difficulties, including those to which I have referred, Indian industries are not standing still, and a proof of their steady, though somewhat slow, development is to be found in the figures, I submit, showing the increasing value of importations of mill machinery, iron and steel. We may possibly reach six million sterling for the year 1903-1904.

"Values of Imports of Machinery and Millwork and Iron and Steel.

	1900-1901.	1901-1902.	1902-1903.	1903-1904. (Ten months only.)
	£	£	£	£
Machinery and Millwork	1,505,040	2,003,920	1,869,227	1,830,974
Iron and Steel	3,048,421	3,242,613	3,391,015	3,215,772
TOTAL	4,553,461	5,246,533	5,260,242	5,046,746

"70. In connection with the question of accumulation of wealth in India we have examined the available statistics showing the net imports of gold and silver, and I submit the figures for decennial periods commencing with that from 1835-36 to that from 1895-96. It will be seen that during the whole period extending over 68 years, the total net imports of treasure have reached the gigantic figure of £414,672,977 which includes gold, approximately 127 millions, and silver upwards of 287 millions. These figures speak for themselves, as a remarkable indication of accumulating wealth.

"Net Imports of gold and silver from 1835-36 to 1902-1903 in decennial periods.

	Gold.	Silver.	TOTAL.
	£	£	£
1835-36 to 1844-45 (10 years)	2,197,866	13,690,179	15,888,045
1845-46 to 1854-55 (ditto)	6,855,062	10,218,006	17,073,068
1855-56 to 1864-65 (ditto)	34,063,093	66,801,743	100,864,836
1865-66 to 1874-75 (ditto)	24,385,359	41,640,209	66,025,568
1875-76 to 1884-85 (ditto)	17,759,626	43,782,421	61,542,047
1885-86 to 1894-95 (ditto)	10,844,101	69,523,739	80,367,840
1895-96 to 1903-1904 (8 years and 11 months)	30,006,323	42,905,250	72,911,573
TOTAL 1835-36 to 1903-1904	126,111,430	288,561,547	414,672,977

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Dr. Asutosh Mukhopadhyaya.]

MADRAS COAST-LIGHTS BILL.

The Hon'ble SIR EDWARD LAW moved that the Report of the Select Committee on the Bill to authorise the levy of dues on vessels for the provision of lights on the Coast of the Province of Madras be taken into consideration.

The motion was put and agreed to.

The Hon'ble SIR EDWARD LAW moved that the Bill, as amended, be passed.

The motion was put and agreed to.

CO-OPERATIVE CREDIT SOCIETIES BILL.

The Hon'ble SIR DENZIL IBBETSON moved that the Report of the Select Committee on the Bill to provide for the constitution and control of Co-operative Credit Societies be taken into consideration.

The motion was put and agreed to.

The Hon'ble SIR DENZIL IBBETSON moved that the Bill, as amended, be passed. He said :—" I have already on two occasions addressed the Council at considerable length in connection with the provisions of this Bill—first, when I introduced it at Simla, and, secondly, when I presented the Report of the Select Committee; and I do not propose now to occupy their time further."

The Hon'ble DR. ASUTOSH MUKHOPADHYAYA said :—" My Lord, the chronic question of agricultural indebtedness has ever been a problem of great difficulty and perplexity to Indian administrators, and it has, from time to time, engaged the attention of the Government of India for the last quarter of a century. A gloomy picture of agricultural indebtedness was drawn by the Famine Commissioners of 1880, when they complained as follows :—

' We learn from evidence collected from all parts of India that about one-third of the landholding class are deeply and inextricably in debt, and that at least an equal proportion are in debt, though not beyond the power of recovering themselves. It is commonly observed that landholders are more indebted than tenants with occupancy-rights, and tenants with rights than tenants-at-will—a result obviously attributable to the fact that the classes which have the best security to offer are the most eligible customers of the moneylenders.'

" During the twenty years that had elapsed since the above observations were made by a competent and authoritative body of persons, matters do not appear to have improved, for the Famine Commissioners of 1901 give a still gloomier picture of the indebtedness of the Bombay raiyats. The Commissioners write :—

' In his evidence before us, the Chief Secretary to the Bombay Government said that 28 per cent. of the land in Broach had passed into the possession of the moneylending

[*Dr. Asutosh Mukhopadhyaya.*] [23RD MARCH, 1904.]

classes; and from a report of the Collector of Ahmedabad, it appears that in his district expropriation of the old owners has also made considerable way. Taking all these statements into account, and comparing them with the evidence we have recorded, we think it probable that at least one-fourth of the cultivators in the Bombay Presidency have lost possession of their lands; that less than a fifth are free from debt; and that the remainder are indebted to a greater or less extent.'

"It is needless to recapitulate the measures which have been adopted by the Government to remedy this lamentable state of things in certain local areas; but, as stated by Sir Antony MacDonnell's Commission, 'the result has been disappointment.' Neither is it necessary, my Lord, to attempt to trace the causes of this state of things; but one thing is perhaps certain, namely, as admitted by the Famine Commission of 1880, it is attributable, in part at least, to the changes that have been introduced under the complex system of British administration defining the rights of property of the landed classes, combined with the more complete recognition of the force of contracts, and the obligation on the Courts of Justice to enforce them. I am glad to find, my Lord, that in the measure now before the Council resort to Courts of Law is as much deprecated as it has been encouraged in the past, and simplicity has taken the place of complexity. I am glad also that it has been silently recognised that the machinery of the Courts is an evil agency among the poor and the less progressive section of the population of India.

"My Lord, as to the provisions of the Bill in its amended form there are two or three points to which I may be permitted to make a passing reference. Assuming that the organisation of credit is the sole means of preserving and developing agricultural life in India, one of the most important questions which may arise in practice is the nature of the property which a member of a co-operative society may be permitted to pledge to secure advances. Upon this matter the Bill recognises a distinction between jewellery and land. That distinction, as explained by the Hon'ble Member in charge, is that in the case of jewellery an advance of money upon its security is only to be allowed in the case of societies which, in the opinion of the Registrar, may safely be entrusted with this power; whereas, in the case of land, loans upon mortgages are to be allowed as a rule, unless the Local Government think that they should be prohibited or restricted, either generally or in any particular case. This appears to me to be a thoroughly sound distinction; and I have little doubt that the usefulness of the Bill might have been considerably impaired if greater restriction had been placed upon mortgages. The second point to which I would wish to refer is the clause of the Bill which makes the provisions of the Indian Companies Act inapplicable to societies registered under this Act. This, my Lord, is an extremely salutary provision, and I may add a necessary element for the successful operation of this measure. The Indian Companies Act, though

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highly creditable to the learned lawyers who took part in framing it and highly beneficial to my profession, is of such a complex nature as to be wholly inapplicable to the conditions and circumstances of the societies which will be formed under the present Act. The third point to which I wish to refer is the simplicity and the elasticity of the provisions of this Bill. Upon this point, my Lord, there has been, and will remain, some difference of opinion. I know the opinion has been maintained by eminent authorities that the provisions of the Bill might have been more specific and that less might have been left to rules to be framed by the Local Government. On the other hand, we cannot afford to overlook the fact that this measure is largely experimental, and substantially the first of its kind in this country, consequently, although we may speculate as to the lines upon which these societies will be developed in future, we have no tangible data to enable us to determine, with any approach to precision, the actual line of development. I venture to think that nothing would be a greater mistake than to force upon our communities, in different parts of the country and working under widely varying conditions, a complex stereotyped form of credit society, which might be adapted to one section, but wholly unsuitable for the requirements of another. I, therefore, welcome the provisions of the Bill as laying down the broad lines on which credit societies are to be developed and worked, although the provisions are necessarily somewhat indefinite in character and liable to criticism. My Lord, there was a time when the problem of agricultural indebtedness in this country was considered to be incapable of a solution; and I remember that about twenty years ago the institution of Agricultural Banks in India under State patronage and State control was given up as an impossible task. I trust, my Lord, I may be permitted to congratulate Your Excellency's Government upon this piece of legislation, which gives practical effect and legislative recognition to the most important recommendation of Sir Antony MacDonnell's Commission, and will rightly be regarded in future as the first serious effort at a successful solution of the problem of the amelioration of the economic condition of our vast agricultural population which had baffled the ingenuity and the statesmanship of Your Excellency's predecessors."

The Hon'ble MR. ADAMSON said :—" When a contentious Bill comes before this Council it is subjected to criticism both in the Council and in the Press, and the public have a full opportunity of judging of its merits and demerits. But when, as in the case of the Co-operative Credit Societies Bill, the measure is not contentious, when the principle and object are regarded as benevolent, when the measure affects only a class of the public that have little access to the

Press, it naturally enough attracts little attention, and there are few that take the trouble to make themselves sufficiently acquainted with the subject, to be able to judge of the success that it is likely to attain.

“And yet I think that this is a Bill that might well have attracted more attention in the English and the Vernacular Press. [Our co-operative credit society is, I admit, but a frail barque launched upon a treacherous ocean, but if it can escape from being wrecked by the opposition of the moneylender, if it can avoid being stranded on the shoals of mutual distrust among its members, if it can carry safe to port but a portion of its cargo of self-help and co-operation, it may be that some day yet this Bill will rank among the most important measures that have been passed by the Government of India for the amelioration of the agricultural and industrial classes.

“But at present I fear that there are not many who have faith in it. The object of course is generally regarded as altogether praiseworthy, but there are few who believe that in India the seed of co-operation will fall upon a fertile soil. My purpose in making these remarks is to examine the question whether the scheme of the Bill is a practical one, and I hope to be able to show that it is, and that there is a reasonable prospect of its achieving a success.

“The object of the Bill is to encourage thrift, self-help and co-operation among the agricultural and industrial classes in this country. The first means of attaining this end is to give relief from the usurious rates of interest which the peasantry have to pay to the moneylender for the money which is necessary for their agricultural and other operations. The Bill creates societies or associations of neighbours who will be able in their corporate capacity to utilise their united credit in borrowing for the purpose of lending again to members on easier terms than such members could obtain if they borrowed each on his own individual credit. But it does not follow that the condition of the peasantry will be improved merely by enabling them to borrow at cheap rates. Experience in other countries shows that such a benefit alone must eventually aggravate their distress, because it will only lead them into further extravagance. What is wanted is cheap money accompanied by increased thrift. There is nothing more certain than that unless our societies can give effectual inducements towards thrift, they will be worse than useless, and I am therefore glad to hear from the Hon'ble Sir Denzil Ibbetson's remarks in introducing the Bill, that though Government is willing to give pecuniary assistance, and no doubt pecuniary assistance will be very welcome, yet it will in no case assist a society which has not made a genuine attempt to build a capital for itself.

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“ The object of the Bill is to give the borrower cheap credit, and at the same time to place him under such conditions as will restrain him from abusing the boon. The Bill proposes to accomplish this end by permitting societies to be composed only of neighbours having common interests and an intimate knowledge of each other's circumstances. Every member will be a possible borrower, and therefore it will be the interest of all to see that loans are taken only for desirable objects, that they are expended only on the objects for which they were given, and that they are repaid in accordance with the conditions on which they were lent. The restraining influence on the members will proceed from the society itself. If a member, for instance, misapplies a loan, the fact will be apparent to all his co-members, and he will run the risk of offending his neighbours and being punished socially. Among oriental, there is no sanction stronger than that of village opinion, and I have no doubt that, if a society is imbued with a proper spirit, a member will hesitate before he submits himself to the odium of its disapproval. If a society can be established on these lines, it is hoped that it will not only give to its members cheap credit, but that it will educate them in thrift. It will incidentally give a further inducement to thrift, as it will provide for its members an opportunity which is now wanting in rural tracts and also generally in towns, of investing their petty savings in a remunerative concern, instead of spending them or converting them into trinkets or burying them in the ground.

“ Such are briefly the object and aim of the Bill, and its success, as it appears to me, will depend on two factors :—

(1) the faculty for co-operation of the classes whom it is intended to benefit ;

(2) the measures undertaken for inaugurating the scheme.

“ As regards the faculty for co-operation, I am afraid that there is a very general belief, perhaps not altogether unfounded, that the idea of co-operation for the general good does not appeal to the Indian peasant, and that there is among that class an absence of the mutual confidence that is essential to the success of such an undertaking. There is also a very general opinion that, even if mutual confidence and the desire for co-operation were present, there could be no opportunity for exercising them, because the mass of the peasantry of India are already bound hand and foot by the moneylender, and are unable by any possible internal co-operation to escape from his clutches. These are formidable difficulties, I admit, but to those who think them insuperable I would point to

the fact that similar and probably greater difficulties were experienced fifty years ago in parts of Europe where there are now co-operative credit societies receiving deposits and distributing loans by hundreds of millions sterling per annum. Sir Frederick Nicholson in his report on land and agricultural banks, which has been aptly described in this Council as a monument of research and a perfect store-house of information, and on which I have freely indented in preparing these remarks, has given a vivid description of the condition of the people of Europe, among whom these societies were originated. He says :—

‘The people to be dealt with in the matter of rural credit are the landholding artisan, small trading and labouring classes; not the urban folk, the merchants, professional men, manufacturers and other skilled industrials. Now the conditions of the rural classes, especially fifty years ago, when rural banking was first attempted for the masses, were not and even now are not of that advanced character which is associated with the European nations in their commercial, industrial, educational, literary and political aspects. The masses of French, German and Italian peasantry were, and to a great extent still are, ignorant, suspicious, conservative, isolated and poor; holding land in small and diffused patches; exploited by usurers; hide-bound by custom; incapable of associated effort, unable to comprehend and unwilling to adopt new methods, however useful, new improvements, however obvious; the testimony of the reporters on this point is unanimous. The description of the peasantry of the Rhine provinces, of Italy, of the interior of France, as given by their own as well as by foreign observers, shows that, as regards rural banking, the prospects of the masses in the countries named were little, if at all, better than in the Madras Presidency at the present day.’

“And again, in describing the Wollemborg-Raiffeisen system of banking, he writes :—

‘Dr. Wollemborg’s family resided at Loreggia, a village of 2,795 inhabitants, nearly all agriculturists, scattered over its whole area. A man of observation and culture, he was struck by the miserable condition of the peasants, their poverty the frightful and shameless usury to which they were subject, the absenteeism of the landlords. He himself states, regarding usury in his village, that it was common for borrowers to pay one franc per month for every 20, or 60 per cent. per annum, to which is regularly added a dinner every Sunday, gratuitous labour, and other ‘*corvées*’. The peasants were at the mercy of the moneylenders, and had, moreover, to buy bad goods at ruinously high credit prices. But Dr. Wollemborg added to observation the result of much thought on social matters, and fortunately a knowledge of what had been done abroad, notably by Raiffeisen in Germany; and in 1883, when only 24 years of age, he attempted a similar foundation in Loreggia. It was a task of the utmost difficulty; in his own words ‘the novelty of the proposals, the nature of the locality, the class of persons to be persuaded, distrust, jealousy, factions of all sorts, were obstacles which had to be surmounted,’ and to these he adds the isolation of the peasants, their misery and apathy, their ignorance and their distrust of the landlords, for the peasants were mostly

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tenants and not proprietors. No situation less promising can well be imagined, but Dr. Wollemborg attacked the situation and conquered it absolutely without external aid. After many discussions and much persuasion, he got 32 persons to join, among whom were 12 very small peasant-proprietors. The example of course was little imitated at first; the nascent society had to prove its position, and only then would it be imitated. This has now been done; the societies are rapidly spreading, and in November, 1890 there were 44 in existence, all duly federated; the number in 1892 had risen to 66.

“I may add that at the present day these societies are numbered by hundreds. I need not exhaust the patience of the Council by making further quotations from this or other works. Sufficient has been said to show that the conditions of the peasantry of many parts of Europe, when co-operative credit societies were originated there, were quite as unfavourable as in India now. In some respects the conditions of India are more favourable. The right of association is not hampered by law, justice is accessible and prompt, the peasants are not isolated, and the villagers are accustomed to combined effort for many useful purposes. There appears to be no reason in the condition of Indian society why that which has been done successfully in Europe should not be done with equal success here. What India still wants is her Wollemborg, who will by his perseverance and enthusiasm evolve schemes of co-operation in actual practice.

“This leads me to the second of the factors on which, as I have said, the success of our societies will depend, *viz.*, the measures taken for the inauguration of the scheme. The Bill itself is admittedly and intentionally only a general outline, the details of which will have to be filled in by Local Governments, so as to suit the varying forms which the institutions may take in different parts of the country. The Hon'ble Member in charge of the Bill has informed us in the Select Committee that it is contemplated to choose provinces in which to try initial experiments, and to appoint a whole-time officer as Registrar for each of these provinces. I cordially welcome this arrangement. The rules which are to be framed by Local Governments, which will form the working machinery, will require to be built up by experience. The task of framing these rules will be far greater than the task which we have had to perform in merely building up the outlines of the Bill, and when I consider the difficulties that have been encountered in framing the Bill, and especially the conflict of opinion, well supported, both for and against almost every important provision in it, I cannot conceive that any Local Government will be able to start right off with a ready made series of rules. Wide powers are given to the Registrar under the Bill, and it must be chiefly on the Registrar's advice that the rules

will be built up. The Registrar's first duty will be to preach the gospel of co-operation in the province to which he is attached. He will at first find little initiative except his own. He will have to select the places for his experiments and he will have to induce by his personal influence and by his persuasive powers the people to interest themselves in his schemes. Fortunately the classes whom the Bill is intended to benefit, though they have little power of initiative of their own, are generally easily led by an officer of Government in whom they have confidence. It will be for the Registrar to inspire this confidence. The form which his institutions will take will vary from place to place, but at first he will probably be content to inaugurate the simplest forms of purely joint credit societies. Many of such are already in existence in one province of India, *viz.*, the Nidhis of Madras. They appear to be suited to the circumstances of the people there, and are simple in form, and for my part I would strongly recommend the Registrar to take them as a model for his earliest operations. As his knowledge of the circumstances of the people and their modes of thought, and their ideas of business, expands, he will gradually be able to mould his societies into forms that suit the genius of the classes with whom he is dealing. Meanwhile he will be discovering new difficulties and the way to surmount them, new facilities and the way to take advantage of them, and he will gradually be able to elaborate a series of ideas which will be the ground work on which the Local Government will build the rules. When he has made a few successes imitation will speedily follow. I must say that the fortunate officer whose ability recommends him to a Local Government for the appointment of Registrar will occupy an enviable position. I was inclined to think that the Bill left rather too much to the Registrar and the Local Government. But this very fact will be the Registrar's opportunity. The ordinary administration of civil affairs in this country generally resolves itself into a routine, in which any particular officer cannot do very much harm and rarely has an opportunity of doing anything startlingly good. But a Registrar of co-operative credit societies will have a field open to him that will give ample scope to his individual genius. The success of the scheme—and I have strong hopes that it can be made a success—will depend almost entirely on him, and if he does succeed in establishing societies, which may be hoped eventually, though it will take long years to achieve this end on a large scale, to rescue the peasantry of his province from the moneylender, and to lead them to increased thrift, by enabling them to finance themselves by means of co-operation, as has been done in some of the most backward parts of Europe, he will have achieved a fame that few civilians in this country can ever hope to aspire to.

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"I have said enough to show that our Bill is not utopian, but that it is capable of practical execution. I have no desire to minimise its difficulties, which are great. My object is to attract intelligent public interest to it, and especially to interest Native gentlemen in a scheme that aims at the amelioration of their fellow countrymen. We have seen that an English member of this Council, the Hon'ble Mr. Hamilton, has offered to advance to societies a large sum of money, as an investment of which he is willing to take the risk, with the view of encouraging an object of great public utility. I do not ask Native gentlemen to follow his example at once. But I ask them to examine the scheme, to satisfy themselves that it is practical, to consider the history of co-operation in other countries where it has achieved a success, to assist its development in India with their advice and sympathy, and finally when they are satisfied that it can be established on safe commercial principles, to aid some genuine but struggling societies with loans, not as a charity but as an investment which will be profitable to themselves, and will at the same time improve the condition of the less fortunate members of their own race."

The Hon'ble NAWAB SAIYED MUHAMMAD said :—" My Lord, I have hardly anything to add to the remarks I had the honour of making in this Council on the 4th December last on the motion to refer this Bill to a Select Committee. I am glad that the Select Committee have been able to accept the suggestion that I then made of permitting the societies to grant loans on the security of moveable and immoveable property while giving the Registrar and the Local Government the discretion of exercising some restraint where it may be considered necessary. I entirely agree with the Hon'ble Sir Denzil Ibbetson in his suggestion that the Nidhis of Madras, if necessary, should be dealt with in the Madras Legislative Council, for I think the measure before us is mainly one of principles and not of details. In giving my cordial support to the Bill I beg to congratulate Your Excellency's Government upon affording the agricultural classes of this country some measure of relief from the exactions of the professional moneylender. At the same time, I consider the Bill as an experiment, a view to a certain extent justified by the able and lucid introductory speech of the Hon'ble Member in charge. Viewed later by the light of experience, this measure may prove insufficient as a means of relief, or not wide enough in application by reason of the limited support from the Government. Should this happen, I earnestly trust that the Government of India will then be found as ready to expand and improve the law as Your Lordship's Government is now in initiating it. I don't wish to take up the time of the Council by making any lengthy remarks, and I therefore support the motion before the Council."

[*Mr. Cable; Mr. Gokhale.*] [23RD MARCH, 1904.]

The Hon'ble MR. CABLE said:—"I desire, my Lord, to say a few words of general approval of the measure now before Council.

"I am glad to notice that all the amendments made have been in the direction of giving more elasticity to the provisions of the Bill. In an experimental measure of this kind it is doubtless wise not to fetter the action of those who will be directly concerned to carry out its objects, though of course as more responsibility will be thrown upon individuals so also the risk will be greater that a wise discretion may not always be exercised. I fully realise that the success of these societies must ultimately depend upon the district officers, and probably as much damage may be caused by overzeal as by indifference; for the greatest care and tact must be employed so that the existing banking institutions of the people may not be unduly alienated or alarmed while the new system is on its trial; this danger was clearly present in the minds of Sir Edward Law's Commission, for they advised that moneylenders should under certain circumstances be entitled to privileges under this Act. There is no doubt much to be said against the present system under which the peasant obtains advances. In many respects, however, I have no doubt that, like other institutions of the East which we may not appreciate, it is perfectly suitable to the peculiar needs of the people, and therefore it would be unwise to attempt by local influence to force any change of methods. If the present proposals are found to fill a want, I make no doubt they will be generally availed of.

"It is satisfactory to note that publication of accounts is provided for; once a month would not be too often for this, and no better advertisement of the scheme than frequent publication of accounts could be devised.

"It is admitted, I think, by the Hon'ble Member in charge of the Bill that the ultimate results of this legislation are difficult to forecast, but, however that may be, its educating influence on the people must surely be good. It cannot fail to inculcate the advantage of saving on the one hand and a confidence in lending on the other hand: it will, in short, teach that money is productive, and the effect of these lessons upon the people at large may have enormously far-reaching effects in the future.

"It is upon these general grounds also that I desire to congratulate the Hon'ble Member upon having brought in a benevolent piece of legislation."

The Hon'ble MR. GOKHALE said:—"My Lord, after the continuous opposition which it has fallen to my lot to offer to two important measures of Government during this session, it is both a pleasure and a relief to me to find myself

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in a position to give my cordial and unequivocal support to the present Bill. The proposed legislation is no doubt only a modest measure, so far as its provisions go. But it authorizes a cautious and interesting experiment, which, if it attains any degree of success, cannot fail to exercise a wide and far-reaching influence, especially on the condition of the agricultural classes in India. My Lord, in the growing indebtedness of the Indian agriculturist and the steady deterioration of his general position, the Government of India is called upon to face one of the gravest problems that can confront a civilized administration. The difficulties of the situation are enormous and they can be overcome, if they are ever overcome at all, only by a long course of remedial action, wisely determined, sympathetically undertaken and steadily and patiently adhered to in spite of discouragement and even temporary failure. Such action must include a series of cautious measures, intended both to bring him help and relief from outside, and to evoke or strengthen in him those qualities of prudence, thrift, self-reliance and resourcefulness, without which outside help can do him no great or permanent good. The present Bill is a measure of the latter kind, and though no one can say how far it will prove successful, its operation will be watched by every one interested in the future of the country with deep interest and in a spirit of hope.

“My Lord, in a matter of this kind the function of the Legislature must be confined only to the removal of any special obstacles that may stand in the way. When that is done, the success of the experiment must depend almost entirely upon executive action and the spirit in which and the extent to which the classes concerned and those who are interested in their welfare come forward to co-operate with the Government. For this reason the present Bill cannot be considered apart from the line of practical action which it is proposed to take when the Bill becomes law. This line has been indicated with sufficient fulness in the two luminous speeches made by the Hon’ble Member in charge of the Bill since the introduction of this measure. And the few remarks which I propose now to offer have reference both to the provisions of the Bill, and to the executive measures outlined by the Hon’ble Member to give effect to those provisions.

“My Lord, the measure as amended in Select Committee is a considerable improvement on the original Bill, and will no doubt work better in practice. However, the general scheme formulated appears to me to be incomplete in important particulars. To these I beg leave to draw the attention of the Government, in the hope that the bounds of executive action will be so enlarged as to place the success of the proposed measure beyond reasonable doubt.

“My Lord, the first thing that strikes me on a consideration of the whole question is that there is no provision in the proposed scheme for a preliminary liquidation of the existing debts of those who wish to avail themselves of the opportunity, now offered, to improve their position. In making this observation and those which follow, I have in view the condition of the agricultural population only, and I look upon the Bill, though its provisions may be availed of by non-agriculturists, as one intended specially for the benefit of the agricultural community. It is true that the Bill aims merely at organizing on a co-operative basis the credit of these classes, but such organization, if it is to benefit any considerable proportion of the agriculturists, must be preceded by a liquidation of existing usurious debts, speaking with special reference to the Bombay Presidency. I may say that our agriculturists may be roughly divided into three classes:—(1) Those who are yet free from debt. These, I believe, form a small proportion of the total number. (2) Those who have already got into debt, but not to such an extent as to be hopelessly involved and who are making honest efforts to keep their heads above water. These, I believe, constitute a considerable proportion of the agricultural population. And (3) those who are so heavily indebted as to be hopelessly involved. These, I fear, are a very large class. Of these three classes, I don't expect that many members of the first class will, for the present at any rate, care to join the proposed societies as the principle of unlimited liability is sure to frighten them: while the third and last class is beyond the reach of such remedial action as this Bill contemplates. The men, therefore, who will principally form these societies, if the proposed measure attains any degree of success, are, those that belong to the second class, namely, those who have already got into debt but whose position has not yet become hopeless and who are moreover, making honest attempts to save themselves from prospective ruin. These men, however, have not much credit left free to be brought into the co-operative organization, and unless they are helped to effect a clearance of existing liabilities on reasonable terms, no new banking organization created for their benefit, whether it takes the form of agricultural banks or of co-operative credit societies, can prove of much help to them. The need of such preliminary liquidation was recognized by the Government of India in 1884 in the following terms:—‘Improvvidence of cultivators and uncertainty of seasons are elements which are liable to interfere with a bank's success, and these difficulties might be met by prudent management; yet the bank could not hope to succeed unless it could start in a field where the agricultural classes were unencumbered with debt or were enabled to liquidate their existing debts on reasonable terms.’ Such a liquidation was carried out in Germany and elsewhere through the

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agency of special banks and the ground was cleared for the operations of the new banking organizations. The resources of the proposed societies will be extremely limited, and it is out of the question that they can by themselves find the funds necessary for such liquidation. The Government must come to their help in this matter, and if such help is not offered, the proposed experiment will have but small chance of proving successful.

"Section 7 lays down for rural societies the principle of unlimited liability except in special cases. Responsibility for *pro rata* contributions to the repayment of a society's debts would be a desirable limitation on the liability of members, as is allowed in the German Law of 1889. Unlimited liability no doubt strengthens the position of the societies greatly in the money-market; but it is a principle which our raiyats in many parts of rural India can scarcely be made to understand. Each member to be liable in all his property for his society's debts—this is to them an entirely foreign idea, and in most parts, it is to be feared, would deter people from joining such associations. Responsibility in equal shares on the common partnership principle may be better appreciated and would be enough for a start. In Germany, the principle of unlimited liability is an old time-honoured economic tradition, and works admirably. It is the keystone of Schulze and Raiffeisen societies. Elsewhere, in Italy and other countries, it has had to be acclimatized with immense toil. In India, where every such thing is new, I fear it will be a mistake to aim at too much at the start. Insistence on such a principle would keep away from the new societies those very classes whose help and co-operation would be indispensable.

"As regards funds, the societies are allowed to receive deposits from their members, and borrow from outsiders. No other financial resource is provided for. This to my mind is the weakest part of the scheme. Even in European countries, such popular banks (*e.g.*, the Schulze-Raiffeisen and Luzzatti-Wollemberg Societies) do not depend exclusively on deposits and loans. In India, as regards deposits, looking to the condition of economic exhaustion and material resourcelessness which at present prevails in the rural parts, such deposits from those who might join these societies cannot be expected to flow in either fast or in any large volume. The associations would be mainly and for years more or less borrowing associations. As to loans it is somewhat surprising to find that the Bill allows the credit societies to borrow from 'persons who are not members' though, of course, under restrictions. The moneylender thus comes in and there is no guarantee that he will not exact usurious interest. Besides, where protracted periods of misfortune intervene, like the past decade in the Dekkhan, there is present the risk

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of these societies getting into the clutches of the moneylender just as individual raiyats now do. The risk may be obviated and the financial position of the new societies improved in two distinct ways, as is done in European countries. First, these rural societies should not be left to shift for themselves as best they could, as isolated units, but might be allowed to be federated into unions for mutual support and help, and these unions linked to a Central Bank, which might serve as an intermediary between them and the money-market and also help to equalize funds by lending the surplus of some to meet the needs of others. Each District might have a Central Bank of this nature to which the rural unions would be affiliated on a joint stock basis and to serve as a focus of business. Further, these District Central Banks might be linked on to the Presidency Banks, one for each Presidency or Province. Some such scheme of filiation might materially help these societies and to a large extent remove the difficulty of financing them. However, I fear the realization of such a scheme must be the work of time and must be preceded by the proposed societies attaining in their own places a certain measure of success, however limited it may be. But there is another resource, which might be made available to these societies without any difficulty, and it is that these societies might be allowed to have each a savings bank attached to it, as is done in Germany and Italy. They would thereby be able to draw together small savings within their territorial limits and utilize them for productive use. At present no facilities practically exist in our villages for the deposit of savings. The total number of villages in British territory in India is over $5\frac{1}{2}$ lakhs, while the savings banks (head and sub-banks) number only 7,075; and the total number of depositors is nearly a million, of whom only about fifteen thousand are agriculturists—not even 2 per cent. So it would be a great help to the rural classes and meet a *felt* want, if these societies were allowed under the new scheme to have each a savings-bank of its own—operating, of course, within its own territorial limits. These savings banks would thus serve a double purpose. (1) The rural classes will have facilities for the deposit of their little savings, where practically none exist at present. This would encourage thrift. (2) The credit societies will have a new source of financial aid placed within their reach on a commercial and safe basis. Indirectly, too, the better-to-do classes, who might not join the new associations, would, if they were to deposit their savings with these societies, help them most materially.

“The absence of some summary procedure to recover the debts due to the societies is also likely to interfere with the success of these societies. I admit the full force of the observations made by the Hon’ble Sir Denzil Ibbetson on

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this point. It seems to me, however, that on the whole the balance of considerations lies on the side of providing some such procedure, or at any rate some special machinery of arbitration. Section 26 provides for a summary recovery of debts due to Government. But the societies must go to the Courts and bear the expense and delays of such procedure. I think some summary procedure is necessary, and special Courts might be organized for the adjudication of such claims.

“ In conclusion, I entirely approve the idea of trying the proposed experiment first in a very few selected localities only. So much depends upon the success of this experiment that every care must be taken to try it in the most favourable circumstances. The sympathy of local officers will of course be available to the full, but the Government will further have to offer very liberal financial assistance, at any rate in the earlier years of the experiment. Public confidence in the success or practicability of a new organization is unfortunately slow to grow in a country where the people have for long centuries been accustomed to look for everything to Government and private initiative seems to be almost paralysed. But when once such confidence springs up, it is not lightly shaken. Very great responsibility, therefore, will rest on those, who are entrusted with the task of supervising the first experiment, and I earnestly trust, my Lord, that no possible effort will be spared to make that experiment as complete a success as is, in existing circumstances, possible.”

The Hon'ble RAI SRI RAM BAHADUR said :—“ My Lord, the piece of legislation which the Council is going to place on the Indian Statute Book to-day may not have attracted that public attention or formed the subject of controversy, as the two sensational measures (the Official Secrets and the Universities Bills) passed lately, but the provisions of this Bill are full of so many potentialities for doing good, that if worked with success, are sure to affect the economic condition of the Indian agriculturist to a very appreciable extent ; and, therefore, with Your Excellency's permission, I would like to say a few words on the scope and sphere of usefulness of this Bill.

“ My Lord, I welcome the measure as the first effort—I hope it is not the only one, but one of a series—possessing the quality of universal applicability to all parts of India—which the Government, assisted with the co-operation of the people, is going to make towards the solution, though however partial, of the problem of agrarian indebtedness. Whatever may be the amount of success which this measure may ultimately gain, it will be of great value as an educative factor in teaching the Indian peasantry lessons of thrift, self-help, and co-operation.

“ My Lord, the question of the establishment of Banks for the people has been off and on before the Government of India for nearly the past half century. Though often thought of, no scheme did ever assume any definite shape, and it is to Your Excellency's Government that we owe the promulgation of a definite and practical scheme which, duly launched and properly worked, is bound to produce beneficial results.

“ My Lord, the Hon'ble Sir Denzil Ibbetson, in the speech he delivered at Simla at the time of the introduction of this Bill—a speech remarkable for its sympathetic tone, and the true appreciation of the merits of the subject—was pleased to say that the two essential features of this Bill were simplicity in the principles and modes of working of the institutions, and elasticity of its provisions which lay down only the general outlines, the details to be filled in gradually.

“ My Lord, it is a matter of satisfaction that the Bill has emerged out of the hands of the Select Committee not only with those two qualities in no way impaired, but with the scope of the institutions more enlarged by empowering them to advance loans on hypothecation of movables and immovables.

“ My Lord, it cannot be denied that the Bill is a great step in advance towards the solution of the very difficult question of the indebtedness of the Indian peasantry. But it is yet to be seen whether India would prove to be a congenial soil for the exotic plant ‘co-operative credit system.’ Even among the educated peasantry of European countries like Germany and Italy, the system obtained its firm footing after life-long labours and patient toils of certain patriots and philanthropists. The Indian Schulze Delitzsch, Luzzatti, Raiffeisen or Wollemborg is yet to be born.

“ My Lord, then there is the want of that one essential quality among our people, namely co-operation, which has been a prevailing defect of their character from a long time, and the cause of so many evils. But, my Lord, dismal forebodings like these should not deter us from taking in hand this good work. It is hoped that under the fostering care of the Government genuine and strenuous efforts will be made to ensure success to this measure. But for some time to come pecuniary help would have to be given unstintedly by the Government, by way of loans to start working capitals of the Rural Banks, and when these institutions will have attained the position of having an independent working capital the Government advances may be withdrawn.

“ My Lord, so much for the institutions contemplated to be established under the provisions of this Bill. These institutions, even if successful, will be

[23RD MARCH, 1904.] [*Rai Sri Ram Bahadur.*]

of no good to the majority of the Indian cultivators. Only a *member* will be able to borrow from them, and those people alone would be enlisted members who would contribute towards the formation of the capital of the society. It is only the better class of agriculturists—and their number in every part of the country is very small—who will be able to join as members. Impecuniosity of the great majority of the peasants will keep them back from becoming members of Rural Banks. The hold of the money-lender on this class of agriculturists will remain as strong as it is now, and the principal portion of the fruits of their labours will still go to the coffers of the village mahajans. My Lord, it is the duty of the Government to inaugurate some measure the effect of which will be to relieve these classes of cultivators. 'The idea,' says Sir Edward Buck, 'of Government being the moneylender to the agricultural classes is an indigenous one. Under those Native Governments which were well organized, and especially in Upper India, the system of distribution of 'takkavi' to the agriculturists was extensively recognized. The British Government, on taking half of the territories from Nawab Saadut Ali Khan of Oudh, gave a recognition to this system, and in Regulation XXVIII of the year 1823 a distinct provision was made in the following words:—

'To make the usual advances of takkavi at the proper periods for the purchase of seed, cattle and implements of husbandry, taking bonds for the same, bearing interest at the rate of 12 per cent. per annum.'

"Mark the word 'usual' and the rate of interest. At the present time a cultivator who borrows from the village moneylender in the United Provinces has to pay interest at the rate of 24 to 30 per cent. The Regulation above referred was repealed only by the Repealing Act of 1873, but the practice of making advances seems to have been discontinued long before.

"My Lord, in the course of debate on a Bill styled the Agricultural Loans Bill, introduced in October 1882 by the Hon'ble Mr. (now Sir Charles) Crosthwaite, Major the Hon'ble E. Baring (now Lord Cromer), who then held the portfolio of Finance, alluded to the subject of establishment of Agricultural Banks in India, and gave an outline of the main principles on which, he considered, those institutions should be constituted. But it appears that the subject was not further proceeded with, and the Bill, which when introduced bore the designation of Agricultural Loans Bill, was passed in 1883 intituled as Land Improvements Act. My Lord, in order to provide for the needs of those classes of the agriculturists who will not be able to derive any benefit from the Rural Banks established under the provisions of this Bill, either from their own disabilities or the

[*Rai Sri Ram Bahadur ; Sir Edward Law.*] [23RD MARCH, 1904.]

non-existence of such Banks in their neighbourhood, Agricultural Banks should be established on the lines of the Egyptian system which had worked with so marked success in that country. Such Banks are doing good work in Egypt which is an Oriental country like India, and the peasantry of that country have much in common with those of this country. There is every reason to hope that institutions established on the model of the Egyptian system will work here as successfully as they do there.

"My Lord, the Indian peasant deserves special consideration at the hands of Government. There is very little apprehension of the loans advanced to him being lost, as such loans very seldom remain unpaid. Whatever other defects of character the Indian peasant may have—and in this respect he does not stand alone, the peasant of other civilized countries not being free from them—that of dishonesty and unwillingness to pay just debts is not one of them. He possesses the merits of an honest debtor, actuated by a religious desire to pay not only the debts incurred by himself, but also those which were contracted by his father or even remoter ancestors. He is not generally disposed to avail himself of the protection provided by the law of limitation—a law not improperly called the rogue's statute—in order to avoid the repayment of debts which he considers himself religiously and morally bound to pay. Thriftless or inconsiderate he may be often, but dishonest he is seldom.

"My Lord, the Bill has my cordial support, and I vote in favour of the motion."

The Hon'ble SIR EDWARD LAW said :—"I noticed in the remarks of one of my Hon'ble Colleagues that there appeared to be a disposition, which I heard with regret, as it is supposed to prevail generally throughout the country, to place too much reliance upon Government support to these banks. From the Departmental point of view, I am sure there is not likely to be any objection to financing these banks to a reasonable extent; but that they should be dependent, or that the idea should become prevalent that they should be dependent, upon Government, would be fatal to all the principles of self-help and co-operation upon which they are founded. Some Government assistance certainly will be necessary, but I trust that it will not be given in any way with a lavish hand, and since it has been said that the rural population in this country have hardly any money—cash savings—which they could contribute to form a capital, I must point out that this is exactly the objection which has been made in every other country, and I believe with equal truth. In those countries however where success has been attained, it has been attained in

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spite of the fact that the people had not the means to make large contributions to capital at the outset.

“One other point I would refer to, namely, the idea of my Hon’ble Colleague that some central institution might give financial help. I think that idea is already in a measure included in the anticipation of relations between the Co-operative Share Banks and the Rural Banks. I personally trust and hope, that the co-operative Share Banks will in course of time flourish and have sufficient funds at their disposal to be able to furnish capital to the Rural Banks, following the example which has been given with such great success by the Lombardy Savings Banks.”

His Excellency THE PRESIDENT said :—“It is a pleasure to find to-day that we are all so unanimous, and that in the contemplation of this measure the lion has lain down with the lamb. The Hon’ble Dr. Mukhopadhyaya remarked that this Bill is our first serious effort to deal with the problem of agricultural indebtedness in India. That is not quite the case. In October, 1900, in a speech upon the introduction of the Punjab Land Alienation Bill at Simla, I made the remark that that Bill was the commencement of a series of ventures upon which I hoped that the Government would embark to deal with this very problem. I described it as a canker eating into the vitals of the national life, and as one of the questions which I hoped to do a little to press forward to solution during my time. A year later we passed that Bill into law amid the most dismal prophecies from the Punjab Native representative on the Legislative Council, as to the irreparable ruin that it was going to bring upon the peasantry of the Punjab. I am glad to say that those predictions have been entirely falsified by events; and only the other day I was called upon to sanction the extension to the greater part of the North-West Frontier Province of the provisions of the Act, which have, on the whole, proved so acceptable in the Punjab that an agitation for their application across the border had been growing ever since. Last year we took similar action in Bundelkhund, where not only has the power to alienate land been restricted in future, but an effort is being made to clear off the existing debt of the agricultural population. Similar measures were recommended for Bombay by the Famine Commission. These undertakings relate to one aspect of the problem of indebtedness. To-day we are giving the authority of the law to an attempt to deal with another. From one point of view it is the inverse aspect; for while such measures as the Punjab Land Alienation Act must necessarily, however successful they may be, involve some curtailment of credit—a drawback compensated twenty times over by the accompanying gains—the object of this Bill is not to curtail credit but to increase it, while

avoiding the evils which have sprung from the great expansion of credit caused by the conferment of the full right of transfer of land upon classes untrained to its exercise.

“The promotion of agricultural enterprise by an increase in the available capital may be described as a prime duty of any Government administering a large rural population. All producers, even the poorest, require capital, and the Indian raiyat by no means least. But the conditions under which alone he can procure it in this country are so onerous, he is so apt to dissipate it when acquired by a sort of traditional improvidence, and the consequences of his indebtedness are so disastrous and even appalling, that there seems to be a special obligation upon the Government of India to come to his assistance in such ways as we legitimately can.

“One of the methods that we adopt for this end in India is by *takavi* loans under the Land Improvement or Agriculturists Relief Acts. I doubt if the public is fully aware of the extent of the assistance that is thereby given, particularly in times of distress. In 1902-03, for instance, the total advances to cultivators amounted to three-quarters of a crore or half a million sterling, of which more than half was in Bombay. But it is difficult for this form of assistance to reach all who are in need, and there are practical drawbacks in the operation of the system which are now under the independent consideration of Government.

“Here we are initiating an independent but allied experiment, which is to make the cultivating classes themselves the borrowers, improving their credit, developing their thrift, and training them to utilise for their own benefit the great advantage which the experience of other countries has shown to lie in the principle of mutual co-operation. I used the word ‘experiment.’ But I am not sure that this is not rather too strong: for undoubtedly the reports of able officers, such as Sir Frederick Nicholson and Mr. Dupernex, and the practical working of a limited number of institutions in different parts of the country, some of them started by enthusiastic officers on their own account, have already provided us with some measure of guidance as to what we ought to aim at, and what to avoid.

“A year ago in my Budget speech I stated some of the fundamental differences of opinion that had emerged from the reference to Local Governments which we had just undertaken. There was really nothing surprising in this. Many of those whom we consulted had had no practical experience and were

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[*The President.*]

only able to give *a priori* replies. Moreover, the co-operative system is itself not at all widely understood: and the degree to which Government assistance should be given was as much in dispute as were the nature and the limitation of the objects for which loans should be allowed. During the year that has passed each of these disputed points has had to be examined by Government, and has since been further elucidated by the labours of the very competent Select Committee whom we were fortunate enough to assemble for the consideration of the Bill. The principles that have characterised the great majority, if not the whole, of the changes that have been introduced by them, have everywhere been the same—greater simplification and more freedom. Let the measure be hampered by as few restrictive provisions as possible; and let it be adaptable to the varying conditions of different parts of the country and sections of the people.

“There is one point on which there seems to have been some misconception, and which it is desirable to make clear. I have seen it complained—and at an earlier date I heard the complaint from the lips of an Hon'ble Member of this Council—that Government might have been a good deal more liberal in initiating so great an experiment, and that part of what we take from the people in land-revenue we might very appropriately give back to them in capital for these societies. These views, plausible as they may seem, rest upon a complete misconception both of the co-operative system, and of the policy of Government with regard to this particular scheme; and I desire to supplement what fell from the Finance Minister on this point.

“It is not primarily because the financial contribution that might have been required to assist every new institution would be great, or because we grudge the money, that so little is said about grants-in-aid by the State, but because the best advice and the teachings of experience are at one in the conclusion that unrestricted Government assistance is a dangerous and may be a fatal gift. ‘Prolonged or indiscriminating State aid,’ says Mr. Henry Wolff, who is an unrivalled authority on the matter, ‘is destructive of self-help. The State aid given in Germany, France, and Austria has been productive of much mischief—the creation of a great deal of bogus co-operation, which has resulted in loss and done no good to the people.’ For similar reasons no special powers of recovery of debt have been given to the societies. The object is to foster a spirit of responsibility and self-reliance; and it is because the societies must be dependent for their success on their own care and caution in the disbursement of their funds that it has been possible to dispense with restrictions on their powers in the Bill that would otherwise have been

necessary. Government aid will be forthcoming when necessary, and there is more danger to be apprehended from excessive liberality than from the withholding of assistance where there is a prospect of its proving advantageous. It will be necessary rather to restrict the extent to which Local Governments may give subventions than to urge them to generosity. If the societies fail in the absence of State aid, and from not having more arbitrary powers of recovering their debts, it will not be because those conditions are essential to the success of the movement, but because there is an organic weakness in the co-operative system as understood and applied in this country.

“I am hopeful, however, that this will not be the case. Like my Hon’ble Colleague Sir Denzil Ibbetson, who has evolved and conducted this measure with equal insight, ability, and sympathy, I refrain from any confident predictions. I think it quite likely that in some parts of the country the experiment will fail, and that societies will either not be started or after a short existence will disappear. Even where they succeed, I do not imagine for a moment that borrowing at high rates of interest will be done away with altogether, or that we shall replace destitution by relative affluence. But let us assume the most modest degree of success. Let us contemplate in districts or towns or villages here and there, a few of these institutions coming into existence, and gradually striking their roots into the soil. Each tree so rooted will ultimately cast its own shade, and will be the parent of others; and if in a few years time I were to hear that the experiment had never germinated at all in one province, while it was bearing humble but healthy fruit in another, I should yet think it justified.

“What I desire to point out, however, is this. Here is a sincere and patient effort to ameliorate the condition of the peasantry of what we are constantly being told is the poorest country in the world. Not a day passes in which hundreds of articles are not written in the Native Press to prove that the material interests of these poor people are neglected or ignored by an alien Government, and are only correctly understood by the leaders of the Native community. I am far from accepting this statement of the case. When I find a European Member of this Council, the Hon’ble Mr. Hamilton, spontaneously offering a loan of Rs. 20,000 to finance a number of small banks at the start, and when I hear of a distinguished Civil Servant, such as Sir Frederick Nicholson, coming back after his retirement from the service to reside in this country and to help a number of these societies on their way, it seems to me that European sympathy is capable of taking a very practical

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shape. As to Native sympathy, I cannot believe that for an object so beneficent, and in interests so unselfish, it will not equally be forthcoming. If these societies could be firmly established even in a hundred places in India, greater good, I venture to think, would be done to the people in those areas than by a decade of political agitation. More places on this or that Council for a few active or eloquent men will not benefit the raiyat. What he wants is the loosening of the bondage of debt which bows him down. Anything that will give him greater self-reliance, and teach him to look not only to Government or to its officers, but to himself, will be to the good. If the feeling that he should be helped is as strong and as sincere as I believe it to be among the Native community, they have, as pointed out by the Hon'ble Mr. Adamson, an unrivalled opportunity in this Bill of giving a practical and unostentatious demonstration of their sympathy with the most deserving and the most helpless class of their own countrymen. Will they take it? Government has played its part. I invite them to play theirs."

The motion was put and agreed to.

INDIAN TARIFF (AMENDMENT) BILL.

The Hon'ble SIR EDWARD LAW moved that the Bill to revive and continue section 8B of the Indian Tariff Act, 1894, be taken into consideration.

The motion was put and agreed to.

The Hon'ble SIR EDWARD LAW moved that the Bill be passed.

The Hon'ble MR. CABLE said:—"My Lord, this is a measure which merely maintains previous legislation on the subject—it will be welcomed by those interested in the sugar-industry of this country as tending to ensure fair play to that industry, and I beg therefore to support it most cordially."

The motion was put and agreed to.

ARTILLERY AND RIFLE RANGES BILL.

The Hon'ble MAJOR-GENERAL SIR EDMOND ELLES moved for leave to introduce a Bill to provide means for facilitating and regulating artillery and rifle practice, and for preventing danger to the public therefrom. He said:—"The object of this Bill is to provide means for facilitating and regulating

[*Major-General Sir Edmond Elles; The President.*] [23RD MARCH, 1904.]

artillery and rifle practice, and for preventing danger to the public therefrom. In order that the efficiency of the Army may be maintained, it is necessary that it should be able to practise under service conditions, and this cannot be done without clear ranges. Owing to the want of proper legislative authority, however, great difficulties have been experienced in keeping ranges clear so as to sufficiently protect the public during artillery and rifle practice. The Bill is based, as is indicated by the marginal references, on certain of the provisions of the Military Lands Acts, 1892 and 1900 (55 & 56 Vict., c. 43, and 63 & 64 Vict., c. 56)."

The motion was put and agreed to.

The Hon'ble MAJOR-GENERAL SIR EDMOND ELLES introduced the Bill.

The Hon'ble MAJOR-GENERAL SIR EDMOND ELLES moved that the Bill, together with the Statement of Objects and Reasons relating thereto, be published in the Gazette of India in English, and in the local official Gazettes in English and in such other languages as the Local Governments think fit.

The motion was put and agreed to.

ADJOURNMENT OF COUNCIL.

His Excellency THE PRESIDENT said:—"I am not quite sure how long the discussion is likely to last on Wednesday next when we take up the Budget, but as I think it will be desirable for all of us that it should be concluded at a comparatively early hour in the afternoon, we had perhaps better adopt the good example of the other day and meet at 10 o'clock in the morning. I therefore adjourn the Council till 10 o'clock next Wednesday, the 30th instant."

<p>CALCUTTA; The 31st March, 1904.</p>	}	<p>J. M. MACPHERSON, <i>Secretary to the Government of India, Legislative Department.</i></p>
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Proceedings of the Council of the Governor General of India, assembled for the purpose of making Laws and Regulations under the provisions of the Indian Councils Acts, 1861 and 1892 (24 & 25 Vict., Cap. 67, and 55 & 56 Vict., Cap. 14).

The Council met at Government House, Calcutta, at 10 A.M. on Wednesday, the 30th March, 1904.

PRESENT :

His Excellency Baron Curzon, P.C., G.M.S.I., G.M.I.E., Viceroy and Governor General of India, *presiding*.

His Honour Sir A. H. L. Fraser, K.C.S.I., Lieutenant-Governor of Bengal.

His Excellency General Viscount Kitchener of Khartoum, G.C.B., O.M., G.C.M.G., Commander-in-Chief in India.

The Hon'ble Sir T. Raleigh, K.C.S.I.

The Hon'ble Sir E. F.G. Law, K.C.M.G., C.S.I.

The Hon'ble Major-General Sir E. R. Elles, K.C.B., K.C.I.E.

The Hon'ble Sir A. T. Arundel, K.C.S.I.

The Hon'ble Sir Denzil Ibbetson, K.C.S.I.

The Hon'ble Rai Sri Ram Bahadur.

The Hon'ble Mr. A. W. Cruickshank, C.S.I.

His Highness Raja Sir Surindar Bikram Prakash Bahadur, K.C.S.I., of Sirmur.

His Highness Agha Sir Sultan Muhammad Shah, Agha Khan, G.C.I.E.

The Hon'ble Mr. Gopal Krishna Gokhale, C.I.E.

The Hon'ble Mr. E. Cable.

The Hon'ble Nawab Saiyid Muhammad Sahib Bahadur.

The Hon'ble Mr. H. Adamson, C.S.I.

The Hon'ble Mr. A. Pedler, C.I.E., F.R.S.

The Hon'ble Mr. T. Morison.

The Hon'ble Dr. Ramkrishna Gopal Bhandarkar.

The Hon'ble Mr. J. B. Bilderbeck.

The Hon'ble Mr. D. M. Hamilton.

The Hon'ble Rai Bahadur B. K. Bose, C.I.E.

The Hon'ble Dr. Asutosh Mukhopadhyaya, D.L., F.R.A.S., F.R.S.E.

QUESTION AND ANSWER.

The Hon'ble RAI SRI RAM BAHADUR asked :—

“(1) Has the attention of Government been drawn to the following advertisement which has appeared in the newspapers of the United Provinces :—

‘ Government Telegraph Department.

‘An examination, open to Europeans and Eurasians only, for admission into the Telegraph Training Class at Lucknow will shortly be held. Candidates, who must be

[30TH MARCH, 1904.] [*Rai Sri Ram Bahadur ; Sir Arundel Arundel ; Dr. Asutosh Mukhopadhyaya.*]

between the ages of 18 and 20, should apply for all further particulars to the Assistant Superintendent of Telegraphs, Lucknow Sub-division, Telegraph Office, Lucknow.'

"(2) Will the Government be pleased to state the reason for confining this examination to the two classes of His Majesty's subjects named in the advertisement to the exclusion of others."

The Hon'ble SIR ARUNDEL ARUNDEL replied :—

"The Government have seen the advertisement in question and have ascertained that it was inserted by the local Telegraph Superintendent because recruits of the classes in question are specially required. The service for which they are wanted is that known as the General Service List of the Telegraph Department, which involves the liability of transfer to any part of the country. For this purpose Europeans and Eurasians are generally found to be more suitable than Natives. On the other hand, the latter hold the majority of posts in the Local Service, which does not involve liability of transfer. Candidates are procured from both classes, *i.e.*, Europeans and Natives, according as they are required in either case."

DISCUSSION OF THE FINANCIAL STATEMENT FOR 1904-1905.

The Hon'ble DR. ASUTOSH MUHOPADHYAYA said :—"My Lord, as the junior Member of this Council, I enjoy the privilege of being in a position to offer the first congratulations to Your Excellency's Government for the satisfactory Budget which has been laid before the Council by the Hon'ble the Finance Member. Ever since the days of Sir Richard Temple, who was Finance Minister to the Government of India from 1868 to 1874, it has not fallen to the lot of any Finance Member to present four successive Budgets showing a substantial surplus, and I trust I may be permitted to offer my sincerest congratulations to my Hon'ble friend.

"SURPLUSES.

"But, my Lord, if the Hon'ble Member has repeated the record of Sir Richard Temple, I am glad to be able to point out that the successive surpluses which have marked Your Excellency's Administration have never been equalled, either in sequence or in amount, ever since the dark days of the Indian Mutiny. As will be evident from the statement (Table A)* which I have prepared, there was heavy deficit during the Viceroyalty

* *Vide* Appendix.

[30TH MARCH, 1904.] [Dr. Asutosh Mukhopadhyaya.]

of the Earl of Canning due mainly to the Mutiny, during the Viceroyalty of the Earl of Northbrook due mainly to famine, during the Viceroyalty of the Earl of Lytton due mainly to the Afghan War, during the Viceroyalty of the Marquis of Dufferin due principally to the Burma War and increased Army expenditure, and during the Viceroyalty of the Earl of Elgin due mainly to famine and fall in Exchange. But although, during the administrations of each of the Viceroys other than those I have just mentioned, a surplus might be shown as the net result of the accounts of the whole period of their *regime*, it will be found on examination that, if individual years are taken, the administration of every one of them was marked by a year or more of deficit. In the long and distinguished roll of Indian Viceroys, the administration of Your Excellency is the first which has been characterised by an absolutely unbroken record of surpluses the total amount of which exceeds twenty-four crores of rupees; this amount, my Lord, is about four times the largest surplus during the administration of any previous Viceroy, and in fact considerably exceeds the total of the surpluses during the administration of all the Viceroys who were fortunate enough to be able to show a surplus upon their whole administration.

“REASONS FOR SURPLUS.

“My Lord, this unbroken record of successive years of surplus, unrivalled in the annals of Indian administration for a period well-nigh approaching half a century, is at first sight a matter for congratulation; at any rate, it is undoubtedly a matter for congratulation that this magnificent surplus has not been swallowed up by calamities like war or famine. But, in order to enable us to judge whether the mere existence of a surplus is a matter for unqualified satisfaction, it will be desirable to examine for a moment the reasons for the surplus and the conditions under which it has been found possible to secure it. Two of the principal factors which have contributed to this result may be described to be, *first*, stability of exchange, based upon the recommendations of Sir Henry Fowler’s Currency Committee of 1898, and, *secondly*, increased taxation from 1883-84 onwards. I must gratefully acknowledge that a portion of this increased taxation has since been remitted by a reduction in the duty on salt and by an exclusion from the operation of the income-tax of all incomes up to one thousand rupees.

“STABILITY OF EXCHANGE.

“As to the first of the two reasons I have just mentioned, namely, the stability or artificial fixity of exchange, I desire to point out that its operation

must prove injurious to the poorer classes of the population. So far as exports of Indian merchandise are concerned, the lower the exchange the larger the amount received by all the persons from the producer to the exporter, assuming, of course, that the quantity of merchandise exported does not suffer a corresponding reduction with the fall in exchange. I shall discuss presently the accuracy of the assumption I have made, but I may point out, the lower the exchange, the larger the benefit conferred on the poor by reason of a fall in the prices of articles of import used by the poor. With regard to the exports of Indian merchandise, if we take the figures for 1902-1903 in respect of articles grown by ordinary cultivators, we find from the following table that the total value of the exports comes to 74,26 lakhs :—

Grains and Pulse	.	.	.	.	.	.	.	.	24,48
Seeds	.	.	.	.	.	.	.	.	14,88
Raw Cotton	.	.	.	.	.	.	.	.	14,76
Raw Jute	.	.	.	.	.	.	.	.	11,12
Jute, manufactured	.	.	.	.	.	.	.	.	9,02
									<hr/>
									74,26
									<hr/>

“I have not included the figures for Opium, Tea, Indigo and Lac as they are hardly grown by the poorer class of cultivators. If now, we take the value of articles of import, we shall find for the same year that the value of articles of food and drink, agricultural implements, grey piece-goods, mineral oil, iron and matches, we shall find from the following table, that the total value of the articles imported into India is 23,97 lakhs :—

Articles of food and drink—

Spices	.	.	.	.	.	.	.	.	85
Salt	.	.	.	.	.	.	.	.	62
Agricultural implements	.	.	.	.	.	.	.	.	8
Grey piece-goods	.	.	.	.	.	.	.	.	15,46
Mineral oil	.	.	.	.	.	.	.	.	3,46
Iron	.	.	.	.	.	.	.	.	3,03
Matches	.	.	.	.	.	.	.	.	47
									<hr/>
									23,97
									<hr/>

Assuming roughly that 80 per cent. of this is used by the agricultural population, we get for the value of the articles used by the poor 19,18 lakhs. The difference, therefore, between the value of the exports of Indian merchandise grown by the

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agricultural classes and the value of the articles of import used by them, amounts to 55 crores of rupees. A rise in the exchange by one penny, that is to say, from 1s. 3d. to 1s. 4d., would mean a loss of one-sixteenth upon this amount, amounting to 3,44 lakhs of rupees. Of course, this loss has to be borne by all the persons from the producer of the raw articles to the exporter; but it is obvious that a substantial portion of the burden must necessarily fall upon the first link in the chain, namely, the producer himself. I therefore venture to point out that one of the two reasons for the large surpluses of recent years, namely, an artificial stability of exchange, has been productive of hardship to the agricultural classes of the country. I have already stated that the above line of reasoning is based upon the assumption that the quantity of exports is not appreciably affected by a rise or fall in exchange. I am fortified in this view by the opinion of the Currency Committee of 1898. In their report it is pointed out that Lord Herschell's Committee of 1893 examined the statistics of Indian exports for a series of years, and came to the conclusion that 'although one may be inclined, regarding the matter theoretically, to accept the proposition that the suggested stimulus would be the result of a falling exchange, an examination of the statistics of exported produce from India does not appear to afford any substantial foundation for the view that in practice this stimulus, assuming it to have existed, has had any prevailing effect on the course of trade; on the contrary, the progress of the export trade has been less with a rapidly falling than with a steady exchange.' The Currency Committee then proceed to point out that it was not necessary to quote the statistics of the export trade to which the Committee of 1893 had called attention, but they went on to add that 'we have been unable to find any statistical support for the theory that exports are largely and permanently stimulated by a depreciation of the standard of value resulting in a fall in the exchange.' They then set out the figures of gross exports from India during the twelve years from 1887-88 to 1898-99, which I quote in Table B*, and conclude with the following statement: 'We hesitate to draw any positive conclusion from these figures, but they afford no support to the theory that large exports are incompatible with a rise in the rate of exchange.'

"INCREASE IN TAXATION.

"I shall now proceed with the second of the two causes of the surplus I have mentioned above, namely, increased taxation. The increase of taxation from 1883-84 up to the last year, when a portion of the income-tax and the duty on salt were remitted, to which I shall refer presently, may be distributed

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under the following heads : (1) income-tax, (2) duty on petroleum, (3) enhancement of duty on salt, (4) increase of duty on imported spirits, (5) general import-duties, excluding the duty on petroleum, (6) import-duty on cotton-goods, (7) increase of Kohat salt-duty, (8) re-imposition of the patwari-cess, (9) excise-duty on cotton-goods, (10) excise. As will be seen from Table C,* the total increase of taxation under all these heads is about 8,78 lakhs annually ; if from this we deduct the amount remitted of the salt-duty and the income-tax, the amount will be reduced by 2,08 lakhs ; in other words, the net increase of taxation from 1883-84 onwards has been 6,70 lakhs a year ; and I venture to hope that when we have a succession of years of surplus, it is not quite unreasonable to ask the Government to consider whether any of the taxes imposed in recent years may not be reduced or, if possible, remitted. I think an examination of our financial history will prove conclusively that additional taxation has been imposed from time to time upon grounds specified on the occasion. I venture to point out that it is by no means prudent or desirable to keep on a tax after the necessity for its initial imposition has ceased to exist. It is quite open to the Government to increase its expenditure indefinitely, and if this process is followed without limit or restraint there would be no chance of the recently imposed taxes being diminished or withdrawn. I have enumerated the heads of increased taxation in recent years, and I propose to examine in detail one of these taxes, namely, the income-tax.

“ABOLITION OF THE INCOME-TAX.

“I confess I was disappointed to read in the Financial Statement laid before us that the abolition of the income-tax is considered to be beyond the range of practical politics. In spite of this declaration of policy I regret I am unable to change my views on the subject which have been formed after a careful examination of both sides of the question. My objections to the continuance of the tax are based mainly on the following grounds :—

(1) The tax was imposed at a time of great financial exigency, brought about by a fall in exchange, an increase in the army, and the heavy cost of frontier fortifications and defensive railways. That exigency has passed away, and as the Government has secured large surpluses during the last few years the policy of continuing the tax is of doubtful necessity and propriety.

(2) The income-tax is looked upon by every nation as the great financial reserve, which may be drawn upon in times of emergency. In the present state of Indian finances all possible sources of taxation appear to be exhausted, though there may be no end to human ingenuity; the Government is bare of all resources and, should there be any sudden and extraordinary emergency, must

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inevitably fall back for funds on loans. The Indian money market is limited, as pointed out in paragraph 116 of the report of Lord Welby's Commission, and large sums must necessarily be borrowed in England. This will have the undesirable effect of increasing the sterling liabilities of the Government, against the warnings of Finance Ministers and contrary to the recommendations of the Currency Committee of 1898 (paragraph 70 of the report). If Government abolishes the tax, husband its resources, exercises a resolute economy and lives within its means, a reserve of extraordinary potentiality will be at its disposal.

(3) If the revenue from income-tax continues to be raised even after the emergency is over, it is merged in the ordinary revenues of the Empire, and at last it becomes difficult to abolish the tax without greatly dislocating the balance-sheet.

(4) Taxation is usually resorted to at a time when the Government finds itself face to face with a sudden and grave financial difficulty, in order to enable it to balance revenue with expenditure. Such taxation ought to be continued only so long as this strained state of finance lasts; to retain a tax so imposed side by side with large surpluses appears to be contrary to all sound principles of finance, contrary to the purpose for which the tax is raised, and liable ultimately to encourage extravagance. So far back as 1859 Mr. Gladstone pointed out that the tendency of income-tax was to foster the 'spirit of expenditure, and that 'the facility of recurring to, and of maintaining, income-tax has been a main source of extravagance in Government.'

(5) 'Evasion is so entirely the rule that forms and returns are declared to be perfectly useless, and, surcharge, or, in other words, arbitrary assessments, made almost at random, has been universally necessary to attain anything like a decent financial result.' This view receives support from the opinion of Mr. Gibbs, Special Commissioner of Income-tax, Bombay, recorded so far back as 7th May, 1861; as also from a report submitted to the Government of India in 1865 by a Committee composed of five representatives of Local Governments.

(6) The assessment proceedings are of an inquisitorial character and lead to oppression and corruption, necessarily rendering the tax most unpopular.

(7) One of the primary canons of taxation handed down to us from the days of Adam Smith and accepted by all subsequent authorities on economic subjects, is that persons should contribute to it as nearly as possible in proportion to their respective abilities. The income-tax as levied in this country

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violates this principle, as it is extremely unequal in its incidence. A person with an income of ₹2,000 a month is more easily able to pay ₹52-1-4 than is another with an income of ₹100 to pay ₹2-1-4: the ability of the latter to spend on necessaries is proportionately much less than that of the former; and consequently also his ability to pay the tax.

“MR. LAING ON THE INCOME-TAX.

“My Lord, in support of the views I have set forth, may I be permitted to recall to mind the opinions of two Finance Ministers. The Hon'ble Mr. Samuel Laing, in his speech on the 16th of April, 1862, said in this Council: ‘I hail, therefore, every proposal which shows signs of independence and self-reliance; and, if the income-tax were to be perpetual, I would much rather see it transformed into a local tax than continued as an imperial tax. But before acting on this view there is one paramount consideration which has to be weighed, *viz.*, whether the income-tax is to be looked upon as a permanent or a temporary measure. Upon this point I have myself no doubt. The tax was imposed for a limited term (five years), and at all hazards we must strive to keep faith with the people of India, by not prolonging it. It is, of course, impossible to give any absolute pledge as to what may occur three years hence. Necessity knows no law, and unforeseen events may upset all calculations. But the question is, are we to look upon the implied pledges given by passing the Income-tax Act for five years only as a serious promise which we must strive every nerve to fulfil, or are we to follow the example of England and treat it as one of those common forms which like ‘lovers’ vows’ are only made to be broken? It is my firm conviction that the latter course will be alike wrong and impolitic. The people of England can understand that, whatever a Chancellor of the Exchequer may say to round a period or elicit a cheer, the income-tax cannot be repealed unless they are prepared either to abdicate the position of a first-rate Power by disarming or to retrace the steps of Sir Robert Peel’s legislation by imposing crushing duties on commerce and consumption. But the people of India see no such reasons for continuing the Indian income-tax, and they would simply feel that the Government, having got the tax on false pretences, was determined to keep it. Now, if there be one thing more than another on which our Indian Empire is based, it is our character for speaking truth. The idea that the “word of the British Government is as good as its bond” is the keystone of the fabric of our power in the East. Hence, without in any way pledging the Government as to what may or may not be possible three years hence, I venture to say this—that in my judgment the main

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object to which the financial policy of the Government should now be directed is to keep faith with India by getting rid of the income-tax.'

"MR. MASSEY ON THE INCOME-TAX.

"The Right Hon'ble W. N. Massey, on the 14th March, 1868, in the course of his speech on the Budget, in this Council, said :—'I am not here to disparage the income-tax. It is, as it has been, described by Mr. Gladstone, 'a mighty engine of finance,' but it is an engine of finance which has never yet been resorted to except under emergent circumstances. The income-tax was first proposed by Mr. Pitt in the stress of the revolutionary war. It was submitted to as a tax of necessity, but it was never imposed as a permanent part of the fiscal system of England. It continued during a period when England was engaged not in a sort of diplomatic war but in a struggle for her existence as a nation, and the people were prepared willingly and loyally to submit to any tax or any mode of obtaining money which the Ministry of the day thought fit to propose. But the income-tax was dropped directly on the conclusion of the Treaty of Peace. It was revived thirty years after by Sir Robert Peel under very special circumstances. It was the object of Sir Robert Peel to carry out a policy of the most extensive and beneficent character. He proposed to liberate the commerce of England from the fetters by which it was cramped and to afford a full development to enterprise and capital. To carry this policy into effect it was necessary to make a large sacrifice of revenue, to give up customs-duties of a considerable amount The Minister proposed, for a limited period, the imposition of an income-tax for the purpose of indemnifying the revenues against the loss which they would sustain; No Minister has ever ventured to declare that it is continued as a permanent tax. These, Sir, were the circumstances under which the tax was imposed in England. Under what circumstances was it proposed in India? India was just recovering from the suppression of the mutiny. In making the effort she had largely added to the debt. She had not only increased the debt but had created deficit in the income to the amount of several millions. Such was our position when Mr. Wilson brought forward his income-tax. The circumstances were of that urgent character which, in my view, justify a measure of such stringency But Mr. Wilson did not venture to propose the tax as a permanent addition to the finances. He asked the country to submit to it only for a limited period during which he calculated the resources of the country would recover themselves. That period arrived and the income-tax was suffered to expire. But let me remind you that, when this impost is described as a great engine of finance, an income-tax of 3 per cent. is

computed to produce no more than a million of money here. This is a very small result to compensate for the difficulties which attend the assessment of such a tax. The peculiar objection which is entertained to an income-tax is not so much the amount exacted under a moderate scale of assessment but the inquisitorial process to which it is necessary to resort This process is not very much to the taste of the English people; but it is specially repugnant to the habits and feelings of the people of India.'

"GRADUATED SCALE OF INCOME-TAX.

"My Lord, if in spite of all these objections to the permanent retention of the income-tax, the inquisition that it entails, the frauds to which it leads, and the sense in the public mind of its injustice in laying the same rate upon the holder of idle and secured public funds, upon the industrious trader, and upon the precarious earnings of the professional man,—if, in spite of all this, the abolition of the tax is deemed to be beyond the range of practical politics, may I venture to suggest that the method of a graduated income-tax which has been so ably advocated by Mr. Chamberlain and which now obtains in England, should in fairness be introduced in this country. The people welcomed with rejoicings the substantial concession which was made last year by Your Excellency's Government in drawing the line of demarcation between taxable and non-taxable incomes at $\text{Rs. } 1,000$ instead of $\text{Rs. } 500$; but I venture to point out that one uniform rate for all incomes under $\text{Rs. } 2,000$ and another uniform rate for all incomes above $\text{Rs. } 2,000$, cause a great deal of hardship to many middle class men. In England, incomes up to $\text{£}160$ per annum, or $\text{Rs. } 2,400$ per year, are exempted from the operation of the tax; an abatement of $\text{£}160$ is allowed upon all incomes exceeding $\text{£}160$ but not exceeding $\text{£}400$; an abatement of $\text{£}150$ is allowed upon all incomes exceeding $\text{£}400$ but not exceeding $\text{£}500$; an abatement of $\text{£}120$ is allowed upon all incomes exceeding $\text{£}500$ but not exceeding $\text{£}600$; and an abatement of $\text{£}70$ is allowed upon all incomes exceeding $\text{£}600$ but not exceeding $\text{£}700$. Thus, whatever the rate of the income-tax may be, a person with an income of $\text{£}161$ has to pay the tax only upon $\text{£}1$, and similarly a person with an income of $\text{£}500$ has to pay the tax only on $\text{£}350$. It is obvious that this graduated system has been planned with a view to the circumstances and conditions of the taxpayer. Table D* will show what the practical effect of this rule is. For instance, if the tax be at the rate of 1s. in the £ , the man with an income of $\text{£}161$ has to pay at the rate of '07d. in the £ ; whereas the man with an income of $\text{£}500$ pays at the rate of 8'40d. in the £ ; and the individual who has an income of $\text{£}700$ pays

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at the rate of 10'80*d.* in the £. In other words, although the tax is at the rate of 1*s.* in the £, and, therefore, apparently affects all persons equally, by reason of the graduated abatement upon all incomes exceeding £160, the rate itself becomes a gradually progressive one, affecting unequally, as it ought to do, different grades of persons enjoying different grades of income. My Lord, I venture to press upon Your Excellency's Government for serious consideration the possibility of introducing this system of graduated income-tax and also the question of raising further the minimum limit of taxable income. It does seem to me to be somewhat anomalous that in England the minimum limit of taxable income should be £160, whereas in this country it should be Rs. 1,000.

"PRESSURE OF INCOME-TAX.

"My Lord, the graduated scale of income-tax now prevalent in England to which I have just drawn the attention of the Council leads, I think, to some remarkable conclusions. The present graduated scale of abatement was introduced in 1898-99 in England, the scale which had been used before being on somewhat different lines. During the years 1898-99 and 1899-1900 the tax was 8*d.* in the £, subject, of course, to the abatements I have just described; in 1900-01 it was raised to 1*s.* in the £, and in 1901-02 it was further raised to 1*s.* 2*d.* in the £. Now, taking the Indian rates, a tax of 4 pies in the rupee is equivalent to a tax of 5*d.* in the £, and a tax of 5 pies in the rupee is equivalent to a tax of 6'25*d.* in the £. Now, if we take a nominal tax of 8*d.* in the £, subject to abatement as in the English rules, it is equivalent to a virtual tax at a rate which amounts to 4'8*d.* in the £ upon an income of £400, and it is obviously at a smaller rate upon all lower incomes. Even upon an income of £540 it is equivalent to a virtual rate of 6'22*d.* per £. It is obvious therefore, that according to the English rule of abatement a tax of 8*d.* in the £ causes less pressure upon incomes up to £540 than the Indian rate of 4 or 5 pies in the rupee. If we take the tax at 1*s.* in the £, which I may call the war-rate, a virtual rate of 5*d.* in the £ is not exceeded till we reach an income of £280, and a virtual rate of 6'25*d.* in the £ is not exceeded till we reach an income of £340. Similarly, if we take the tax at 14*d.* in the £, a virtual rate exceeding 5*d.* in the £ is not exceeded till we reach an income of £260, and a virtual rate of 6'25*d.* is not exceeded till we reach an income of £300. With a tax of 15*d.* in the £ a virtual rate of 5*d.* in the £ is reached only upon an income of £240; and the rate of 6'25*d.* in the £ is just exceeded only upon an income of £280. It is obvious, therefore, that whether we take the English tax at the ordinary rate of 8*d.* in the £, which prevailed from 1894 to 1900, or at a higher rate varying from 12*d.* to 15*d.* in the £, due to the extraordinary exigencies of a great war, the Indian rates are

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not reached except upon tolerably large incomes. The Indian rate, therefore, without the moderating influence of the wholesome principle of graduated abatement, presses far more heavily upon the Indian people than the English rate does upon the English people. This, my Lord, is a circumstance which requires careful consideration, and I trust Government may find it possible to recognise the principle of graduated abatement in this country. I hope I shall not be told in reply that, if the English principle of graduated abatement is introduced in this country, the amount of the realisable tax will be greatly reduced; if this be true, it would only be an argument in favour of the total abolition of the tax, for it is virtually an admission that it is impossible to raise a substantial amount unless we adopt the obviously inequitable doctrine of allowing no abatements at all.

“PRESSURE OF STAMP-DUTIES.

“My Lord, I have just pointed out that the pressure of the income-tax in India is much greater in a large number of cases than the pressure of the tax in England. Your Excellency may perhaps be surprised to hear that the pressure of many other taxes is considerably higher in this country than in England. It is extremely interesting to compare the stamp-duty payable upon various instruments in India and in the United Kingdom. Thus, as will appear from Table D,* the stamp-duty for a receipt or acknowledgment for money exceeding Rs. 20 is one anna under the Stamp Act of 1899. According to the English rule, it is 1*d.* for any sum exceeding £2; in other words, for a sum just exceeding £2, the rate is $\frac{1}{480}$; in India, for a sum just exceeding Rs. 20, the rate is $\frac{1}{336}$; that is to say, for the minimum the Indian rate is 50 per cent. higher than the English rate. Again, in England the stamp-duty upon a conveyance is 6*d.* for £5, or £1 for £200, that is to say, it is .5 per cent. upon the value of the property conveyed or transferred. In India the stamp-duty upon a conveyance is 8 annas for Rs. 50, or 10 rupees for Rs. 1,000; in other words, the rate is 1 per cent. upon the value of the property conveyed. Consequently the Indian rate is precisely double that of the English rate. To take a third illustration, in the case of mortgage-deeds, the English rate is 3*d.* per £10, or 5*s.* for £200, which reduces to a rate of .125 per cent. upon the value of the property. In India, the rate is that applicable to a conveyance, or that applicable to a bond, according as possession is or is not given to the mortgagee; in other words, the Indian rate varies from 1 to .5 per cent., which shows that the Indian rate is in some cases four times as much as the English rate, and in other cases quite as much as eight times the English rate. Similar observations apply to the case of leases in the two countries. Again, if we

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examine the stamp-duty payable upon bills of exchange, we shall find that it ranges between '08 to '025 per cent. in England. The Indian rate averages about '06 per cent., showing that in the majority of cases the English rate is considerably less than the Indian rate. Other cases of a similar nature will be found in Table E.* I venture to think that instances like these hardly bear out the declaration that India is the most lightly taxed country in the world.

"BURDEN OF TAXATION GENERALLY.

"In order to support my position that Government ought to consider the question of reduction of taxes whenever a handsome surplus is available, I shall calculate the pressure of taxation in this country. If we adopt the principle laid down in East India Blue Books No. 683 of 1901 and No. 1164 of 1902, the taxation calculated under the different revenue heads of Salt, Stamps, Excise, Provincial Rates, Customs, Assessed Taxes and Registration amounted in the year 1902-03 to Rs. 30,06 lakhs (*vide* Table F).^{*} To this sometimes Land-revenue is added, which in 1902-03 amounted to Rs. 27,65 lakhs. The total taxation, therefore, is 57,71 lakhs of rupees, which, divided among a total population of 230 millions, gives an incidence of Rs. 2-8-1 per head. If now we assume that the income of an individual is Rs. 30 a year, as stated by Your Excellency in this Council on the 27th March, 1901, the taxation is about $8\frac{1}{2}$ per cent. of the total income of the masses. In reality, however, the pressure of land-tax on the population is considerably in excess of that represented by the figure 27,65 lakhs; for it is really the gross rental the cultivators have to pay, whether to the Government or to their landlords, which must be taken into account in calculating the average pressure of taxation on each individual. These figures are of paramount importance, and when recently I put a question in this Council I was told in reply that complete figures are practically not available. The figures in Table G,^{*} however, though undoubtedly susceptible of correction, will give us a tolerably accurate idea of the pressure of taxation as it ought to be calculated. According to this calculation the total pressure of taxation is about 83,75 lakhs of rupees, which, distributed among a population of 230 millions, gives an incidence of Rs. 3-10-1 per head, or a percentage of 12·1 on the average income of Rs. 30 per year. If now we calculate the incidence of taxation in the United Kingdom in 1899-1900, that is to say, the normal year just before the war, the total income from taxation was $99\frac{1}{2}$ millions sterling. This, being distributed over a population of $41\frac{1}{2}$ millions, gives an average incidence of taxation of £2-8s. per

* *Vide* Appendix.

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head. Now the average income per head being taken to be £36, as recently calculated by Sir Robert Giffen, the pressure on the income of an Englishman is only 6·6 per cent. against 12·1 per cent. in the case of an Indian. I need hardly point out that, even if we accept the less accurate method of determining the amount of the land-tax, we find the burden of taxation to be 8·5 per cent., which is about 33 per cent. higher than the burden of taxation in England. It seems to me that the correct solution of this problem is to be obtained not by determining the amount of taxation but by calculating the ratio of the amount of taxation to the income. It has been held by a high authority that the *burden* imposed by taxation in a country is determined not so much by the taxation which the people pay, as by the amount of wealth which they retain for themselves. It is calculated that Italy paid 56s. per head of population in taxes of all kinds in a certain year, whereas Great Britain paid 80s. per head in the same year. But the *burden* of taxation was far greater in the former country because the total average yearly income of each individual was only £8-17s. while it was £33-10s. in Great Britain. I may observe in passing that, as pointed out by the Famine Commissioners of 1880, we ought to have fuller and more detailed information relating to the land-tax in India, and I venture to express the hope that statistics upon the lines suggested in my question may be prepared at the instance of the Government. I may also add that I have not included Forests and Land-revenue due to Irrigation in Table F,* nor have I included the net Post Office revenue in my calculations, though, as pointed out by Sir E. W. Hamilton in Section IV of his memorandum dated 14th July, 1897, prepared for the Royal Commission on Local Taxation, there are good grounds for its inclusion; it is hardly necessary to point out that, if these items are included, there would be a consequent increase in the pressure of taxation.

“ FAMINE AND TAXATION.

“ My Lord, the accurate determination of the incidence of taxation in this country, which I have suggested the Government should undertake, assumes great importance from another practical point of view. It is found at the time of every famine of any intensity that the power of resistance of the poorer or agricultural classes of the community is almost infinitesimal; the readiness with which they flock to relief-works and receive famine wages affords almost conclusive proof that, although they may have just means enough to carry on their daily business under ordinary conditions of life, they have practically no margin left to enable them to struggle successfully against even one season of scarcity. Indeed, the small amount of famine wages which enables them to pass through a season of scarcity is ample proof that their reserve strength is insignificant and in many

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cases nominal. It may no doubt be suggested that this condition of utter helplessness on the part of the agricultural classes is traceable in some measure to their improvidence as also to the effect of loans at usurious rates of interest. The operation of these causes will no doubt be practically removed by the establishment of co-operative credit societies, and the restriction placed upon the right of alienation of land, both of which reforms we owe to Your Excellency's Government, though, I am afraid, their beneficial effects may not now be widely appreciated throughout the country. But I venture to point out that the effect of the reforms thus introduced will be materially strengthened if an investigation were undertaken to determine the incidence of taxation upon the agricultural classes, which can only be done effectively after we have fuller and more improved agricultural statistics than the Government seems to possess at the present moment. The remarks which I have already made upon the subject of taxation justify the conclusion that this lamentable want of resisting capacity on the part of the agricultural classes is traceable, in considerable measure, at least, to the great pressure of taxation upon members of that class. It seems to me to be somewhat anomalous that the Government should not possess full and accurate statistics upon this matter, and that at the same time confident declarations should be made on behalf of the Government that India is one of the most lightly taxed countries in the world and that there is no relation between taxation and famine in this country.

"AGRICULTURAL INSTRUCTION.

"My Lord, from this subject of the effect of famines upon our agricultural population, I may be permitted to pass on for a moment to the subject of agricultural instruction and the development of agriculture and agricultural industries. No one will doubt for a moment in the beginning of the twentieth century that the most vital relations subsist between agricultural instruction on the one hand, and the development of agriculture and agricultural industries on the other; and I would suggest, for the consideration of the Government, whether systematic arrangements should not be made with a view to impart agricultural instruction throughout the Empire. I am encouraged to make this suggestion here, because I believe that no Government of India has ever been more profoundly impressed with the importance of encouraging agricultural instruction than the one over which Your Excellency presides. What is required is not merely a Department of Agriculture of the Government of India under the expert direction of an able and experienced officer, but also schools and facilities for elementary, secondary and advanced agricultural instruction.

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"We might perhaps take as an example the rapid and solid progress made in agricultural instruction in Germany, where the foundation was laid by Dr. Thaer only so far back as 1802, and the country is now covered with high schools, institutes, and rural schools for imparting instruction in agriculture; there are even agricultural institutes at the Universities. The principal object aimed at by the agricultural high schools and institutes in Germany is the theoretical and practical instruction of owners of estates, tenants and farmers, and even of professors, lecturers and teachers in the science of agriculture. This is supplemented by the training of future officials of the Land Administrative Departments and of scientific research for the furtherance of agricultural progress and knowledge. My Lord, it has been stated on the highest authority that in Germany agricultural science and its practical application have resulted in an important increase of agricultural and agricultural-industrial products, and it is noteworthy that this has resulted principally from funds furnished by the State. At the present moment, there is no branch of agricultural management, no branch of special agricultural production for which special facilities for instruction are not provided in Germany. The expenditure of the German States for agricultural instruction in its three stages,—elementary, secondary and advanced—is considerable; for Prussia, alone, I find, it is £75,000 annually. But this State expenditure for the furtherance of agricultural instruction has proved a profitable investment; and I have little doubt that the same will be our experience here, for there is no country more likely to be benefited than India by the application of agricultural science to practical agriculture. My Lord, I may refer, for a moment, to one practical illustration of the agricultural instruction given in Germany. The discovery of the presence of sugar in beet-root and experiments for its production were first made in Germany during the latter half of the 18th century and today Germany is the greatest sugar-producing country in the world. The bounty system has, of course, materially assisted the growth of the industry; but this does not detract from the value of the chemical-agricultural co-operation. In 1836 the number of sugar works was 147, which had risen to 400 in 1899. In 1836 the yield of raw sugar was only 5 per cent. upon the quantity of beet treated; in 1899 the percentage of the yield of raw sugar upon the quantity of beet had increased to 13 per cent., proving conclusively that the gradual and steady rise in the percentage yield of sugar was due mainly to the researches of agricultural chemical science. The consequence was that, whereas in 1836 the yield of raw sugar in Germany was 8,000 tons, in 1899 it was 1,600,000 tons; in about 60 years the industry had increased two hundred fold. My Lord, these are startling figures, and

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they would have startled Dr. Thaer, the founder of agricultural instruction in Germany, and Dr. Leibig, the founder of agricultural chemistry; 'they have truly sown a seed which after their death has brought forth fruit a hundred fold, because chemistry, the youngest of the sciences of their day, has been summoned to the aid of the oldest of all human occupations, the tilling of the soil.' I earnestly trust, my Lord, that agricultural instruction may, under Your Excellency's Government, be placed on a wide and enduring foundation, so that it may confer even higher benefits on this country than it has done on Germany. We all recognise with gratitude that an excellent beginning has been made by the establishment of the experimental farm and agricultural college at Pusa which has been materially aided by the munificent donation of Mr. Henry Phipps. I hope the time is not far distant when some wealthy countryman of mine may realise the importance of the institution and fittingly supplement the princely donation of a foreigner in aid of this noble institution.

"MILITARY EXPENDITURE.

"My Lord, the next subject to which I wish to make a reference is the recurring and perplexing question of military expenditure. It is a steadily, rapidly, but necessarily growing burden on our finances. I accept it as an elementary axiom that a thoroughly efficient army is essential for the maintenance of the British power in India, both for its internal security and for its external defence; and that the efficiency and the mobility of the army are prime factors in the prosperity of the country. The loyalty and contentment of the people are factors of paramount importance in the stability of the British rule in this country; but I think it is a great mistake to deprecate the importance of the Army as its ultimate defence. My Lord, I yield to none in my appreciation of the elements which must characterise an efficient army, namely, its mobility, equipment and discipline; and I do not demur to any expenditure which our finances can bear and which our military advisers, presided over by the illustrious soldier who sits in my front, may deem necessary for the safety of this magnificent Empire. But, my Lord, what causes me the utmost disappointment is what I must plainly describe as an element of unfairness which comes in when any question arises as to the mode of apportionment of military expenditure between the Indian and the British Exchequer. This matter, my Lord, was never more painfully evident than recently when a difference arose between the Secretary of State for India, the Government of India and the War Office, with reference to the increase of pay of the British soldier. The whole question was whether the initial annual charge of £220,000 and the ultimate annual charge of £786,000 rendered necessary by the decision of His Majesty's

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Government to raise the pay of the British Army could be rightly charged upon the revenues of India. My Lord, if I may say so without impropriety, the cause of India was strenuously fought by Your Excellency's Government in March 1902 and again in October of the same year. Fairness and justice was entirely on the side of the Indian Government, and it deeply pains me to say that the Lord Chief Justice of England, as arbitrator, should have determined that the whole of the additional pay issued in India from the 1st April 1904 should be borne by the revenues of India. As a consequence our Budget is weighted, on the expenditure side, with a burden of £493,900. It may perhaps be said that in this particular matter history has only repeated itself, and that there is no occasion for surprise or disappointment. If we examine the published correspondence between the Government of India and the Secretary of State for India relating to the incidence of the cost of Indian troops when employed out of India, we shall find from Despatch No. 239 of 4th August 1882 that the Government of the Marquis of Ripon protested, with only partial success, against the cost of the Egyptian Expedition being thrown upon the Indian revenues. The very next year the Government of the same Viceroy protested against the Indian revenues being burdened with non-effective military charges; in other words, charges incurred for retiring pay and pensions, and other expenses of that nature, arising in respect of His Majesty's forces serving in India. It was pointed out that the system under which the capitalised value of the pensions was paid by the Indian to the English Treasury was intolerable, inasmuch as under its operation charges were thrown upon the Indian revenues in an extremely uncertain manner and created a financial position of great embarrassment; it was added that when charges so incalculable and wholly beyond control were thus suddenly thrown upon the revenues, all efforts to secure a proper equilibrium of revenue and expenditure must necessarily be defeated. But, my Lord, this remonstrance, so emphatic and so well-reasoned, proved wholly ineffectual. The story was repeated when in Despatch No. 70, dated the 25th March 1890, the Government of Lord Lansdowne sought for an abatement of the claim made by the War Office against the revenues of India for the service of the British troops employed in this country. Later on, when the Government of Lord Elgin, in Despatch No. 134 of 2nd June 1896, protested against Indian revenues being used to defray any of the expenses of the Indian contingent sent to Suakin, the decision was equally unfavourable to the interest of India. My Lord, the real truth of the matter seems to be that although successive Viceroys have demanded that England should show that her treatment of India in this matter has been just and considerate, the authorities in England have been impervious to reason and remonstrance. My Lord, as was pointed out in one of the despatches to which I

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have referred, 'the tax-paying community of England is amongst the wealthiest, whilst that of India is amongst the poorest in the world.' It cannot surely be in consonance with justice or sound Imperial policy that the wealthy and dominant race should relieve itself of charges at the expense of the poor and subject race, if the smallest doubt can be thrown on the equity of such a proceeding.

" FICTITIOUS SURPLUSES AND THEIR EFFECTS.

"My Lord, I shall now pass on to an examination of some specific points arising upon the Budget Estimates which have been so lucidly explained by the Hon'ble Sir Edward Law. The first point to which I wish to invite attention is that, during the last four years, the amount of the surplus has been uniformly understated in the Budget; thus, in the Budget for 1900-01, the surplus was estimated at £160,300, whereas the actual turned out to be £1,670,204; in other words, the actual exceeded ten times the Budget amount. In the next year, 1901-02, the Budget surplus was £690,900 whereas the actual was £4,950,243, or the actual exceeded more than seven times the Budget amount; in 1902-03 the Budget amount was £837,700 and the actual £3,069,549, or the actual was very nearly four times the Budget amount; in 1903-04 the Budget amount of the surplus was £948,700, and the revised estimates show £2,711,211; in other words, the actual surplus is likely to be three times the Budget surplus. My Lord, this systematic under-statement of the surplus in framing the Budget cannot but be regarded as somewhat misleading, and one finds it difficult to understand why the operation should be repeated year after year, although we have no longer an erratic exchange to spoil our financial calculations. As pointed out by Sir Michael Hicks Beach, the test of a great financier is the accuracy of the estimates as shown by the final returns of income and expenditure. One effect of this under-estimate of the surplus is that a Government does not devote as much of the money of the taxpayer to systematic works of improvement previously planned and carefully worked out as ought to be done; in other words, the effect of a large surplus at the end of a year is to encourage, what are euphemistically termed, special grants, but what in reality are grants for objects which the Government did not contemplate as deserving of encouragement when the estimates were framed. To put the matter from another point of view, if the Government announces that its financial operations during the year are likely to result in a surplus of three or four million pounds sterling, Government would be pressed either to make a substantial reduction in taxation or to put forward schemes for the real improvement of the administrative machinery.

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I think there is hardly any room for doubt that the amount of the surplus ought to be anticipated with tolerable accuracy, and it ought to be applied for the improvement of the material prosperity of the country in certain selected directions. The course which has been followed has certainly a tendency to encourage recklessness in expenditure. The observations which I have made apply with peculiar force to the surplus of the year 1903-04; as I have already pointed out, the Revised Estimate shows that the surplus is expected to be three times the amount stated in the Budget. But I venture to point out that the surplus as shown by the Revised Estimate is in itself misleading, as indeed is pointed out in paragraph 81 of the memorandum by the Financial Secretary. But for the special grants, the surplus would have been Rs. 6,72 lakhs. Now consider for a moment what these special grants mean. An examination of the figures in paragraphs 80 and 223 will show that a large portion, if not the whole, of the special grants has not been, or will not be, spent during the year 1903-04; they are expressly granted for expenditure during the year 1904-05; but I have little doubt that even a portion may remain unspent during the year 1904-05, for instance, the 50 lakhs granted to the Government of Bengal as contribution towards the scheme for the structural improvement of Calcutta, the appropriation of which is expressly made conditional on the scheme being approved by the Government of India. My Lord, I cannot but feel that it would have been more fair and accurate to show 6,72 lakhs as the surplus for the year 1903-04 and to provide in the Budget for 1904-05 for such special grants as might appear necessary to the Government. I may further add that, if this method is pursued in future years, we shall always be furnished with fictitiously low surpluses, and there will be no possibility of any reduction of the burden thrown upon the Indian taxpayer.

“FAMINE INSURANCE GRANT.

“The next point to which I wish to invite attention relates to the Famine Insurance Grant, the details of which are shown in paragraph 181 of the Financial Secretary's memorandum. The revenue provided by the measures of 1877-78 is shown at a uniform figure of £1,000,000 for the 27 years between 1878-79 and 1904-05. I find considerable difficulty in accepting the figure at £1,000,000 for the two years 1894-95 and 1895-96. So far as I can gather, the amounts for those years appear to have been reduced from £1,000,000 (=150 lakhs) to 100 lakhs. I find it stated in the Explanatory Memorandum by the Secretary of State for India relating to Accounts and Estimates for 1897-98 and presented to Parliament (page 7) under the head Famine Relief and Insurance that ‘the absence of famine for many years and

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the near completion of the scheme of Protective works advocated by the Famine Commission led the Government to decide that from April 1st, 1894, the annual expenditure might be reduced to Rx. 1,000,000, which is the amount entered in the accounts of 1895-96.' Similarly, on turning to the Explanatory Memorandum by the Secretary of State for 1896-97 (page 12) under the head 'Famine Relief and Insurance,' I find it stated that, although in accordance with the policy adopted in 1881 respecting famine insurance it was decided annually to set aside Rx. 1,500,000 from revenue for the actual relief of famine, for the construction of works calculated to protect the country from famine, or for the reduction of the existing debt, or avoidance of debt otherwise about to be incurred, yet 'in 1894-95 and the subsequent years, it has been decided that in view of the provision which has already been made, it is sufficient to allot Rx. 1,000,000 for this object.' Again, when I refer to the Financial Statement presented to this Council on the 21st March 1898, I find, from the tabular statement in paragraph 169, the total expenditure chargeable to the famine grant for each of the years 1894-95 and 1895-96 is fixed at Rx. 1,000,000. The policy of reduction appears to have been discontinued by reason of the famine which followed, and the grant appears to have been restored in subsequent years to its original figure of Rx. 1,500,000. The matter deserves inquiry and consideration, and if the view which I have stated be correct—I speak with great hesitation upon this matter—the balance at credit of the Famine Relief and Insurance Fund shown in the last column of the tabular statement in paragraph 181 of the present Budget will have to be reduced by one crore of rupees.

"EDUCATION.

"My Lord, I cannot conclude my observations without pointed reference to two items of expenditure of radically different characters to be found in this Budget. The first, my Lord, is the grant of 40 lakhs to Provincial Governments for educational purposes. The only exception which can be taken to this grant is on the ground of its inadequacy; but I am not without hopes that funds may be furnished more liberally in the future for the purposes of educational work, specially of the work which the re-constituted Universities are expected to undertake.

"TIBET MISSION.

"The second item of expenditure to which I wish to invite attention stands out in singular contrast to the one I have just mentioned, namely, the expenditure on the Sikkim-Tibet Mission exceeding 83 lakhs of rupees as may be gathered from the details furnished in paragraphs 112, 115, 155, and 159. My Lord, one feels considerable hesitation in touching upon delicate matters relating to high

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mperial politics; but I hope one may be pardoned for exhibiting a curiosity to know whether the whole of the expenses in relation to this Mission is to be charged to the revenues of India, and, if so, whether any serious endeavour was made to throw a portion, at least, of the burden upon the British tax-payer."

The Hon'ble RAI BAHADUR BIPIN KRISHNA BOSE said :—" My Lord, it is gratifying to know that the decision taken last year to utilise a portion of the surplus to reduce the duty on salt has led to a material fall in prices accompanied by an increase in consumption, thereby reducing the estimated loss of revenue. Equally beneficial in its results has been the other measure of relief granted last year—the raising of the level of income for the assessment of the income-tax. In its present form it is a tax which is eminently just and fair, and I am glad to find it authoritatively stated that, if at any future date circumstances come into existence justifying measures further to alleviate the burdens of the people, it will not be the well-to-do income-tax payers whose claims will receive prior consideration. In fact, there is no reason why this tax should not now be accepted as constituting an integral part and a permanent feature of the financial arrangements of the Government. I much regret that the Hon'ble Dr. Mukhopadhyaya thinks otherwise. He apparently does not realize that the policy he advocates must result in transferring the burden from persons more capable to persons less capable of bearing it, from the well-to-do lawyers, merchants and officials, for instance, to the toiling millions who eke out a scanty and precarious living from cultivation of land. The agricultural classes already contribute their fair share—according to Dr. Mukhopadhyaya himself more than their fair share—to the revenues of the Empire. He overlooks the further fact that the progress of the country depends not so much on the prosperity of those who form the majority of the income-tax payers as the prosperity of the communities on whose toil depends the successful cultivation of land, the foundation upon which the whole fabric of our national wealth rests. And to lighten the burden on these communities should be the paramount duty of the Government. The analogy drawn from the state of things existing in England is fallacious, inasmuch as the conditions here are wholly different from the conditions obtaining in England. As regards irregularities and hardships to which reference was made, they are inseparable from every system of taxation that can be formulated for introduction among a population like that of India, and ought not therefore to be a determining factor in the decision of the question involved, namely, the comparative equity and justice of the various taxes that it is possible to introduce here.

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"Economic condition.—It has been my misfortune during the past four years that I have sat in this Council to bewail the heavy losses caused by grievous crop-failures in the Central Provinces, reaching, according to expert calculation, the enormous total of 40 crores of rupees. Even last year, a portion of the province, the rice-country of the Waingunga Valley and Chhatisgarh was unable to escape famine. It gives me great satisfaction that I am able at last to speak of an improvement in the prospects. The agricultural season about to close has been, taken all in all, one of the most propitious within recent times.

"The monsoon, though late in coming, was adequate, and all parts of the Province have, more or less, participated in the blessings of a seasonable and well-distributed rainfall. The area lost to the plough under the blighting influence of famine has been recovered back. Displacement of superior by inferior crops was another distressing sign of deterioration. In this respect, too, there has been an improvement; the area under wheat, the most valuable crop, has increased by 20 per cent. as compared with last year, and is one per cent. above the decennial average. The outturn is estimated to be 107 per cent. of a normal crop.

"Cotton cultivation.—Reference was made to the recent speculation in cotton in America and to the possibility of a great development of the supply of the raw article taking place in India to meet the demands of the manufacturers in England. One noticeable feature of agriculture during the past few years in the Central Provinces has been the great expansion of cotton cultivation. Unfortunately, however, almost every indigenous variety has deteriorated. The agricultural department has been engaged since some time past in experiments on exotic varieties, but the result has been disappointing. Foreign seeds are found to be more subject to the vicissitudes of the season, and they deteriorate as fast as they get acclimatized. Experiments carried on by the Manager of Mr. Tata's mill at Nagpur and some private landholders with the help of our local agricultural department have been equally unsatisfactory. Cross-breeding with indigenous varieties is now being tried, and it is very much to be desired that this may yield some new vigorous varieties. Apart from the question of meeting demands outside India, the further profitable development of our own cotton industry, the most important of the industries employing Indian capital, depends largely on the introduction of varieties yielding superior lint so as to permit of finer counts being woven. It must be admitted that with farms of 10 acres each and with cultivation carried on mostly on capital borrowed at high rate of interest, the

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introduction of improved methods is by no means an easy matter. Nevertheless, even under existing circumstances, something might be done in the direction of careful selection of seed and its distribution among the cultivators. Seeing that as against our yield of 80 lbs. an acre we have the American yield of 200 lbs., sometimes rising to 500 lbs., no question can arise as to the great room for reform.

"New Industries.—It was pointed out that the most important step that could be taken to improve the condition of the raiyats would be found in the development of industries based directly on agriculture. In the Central Provinces there has been a considerable increase in the number of cotton-ginning factories. One unexpected and somewhat unfortunate result of the establishment of these factories has been the loss to the country of an important article of cattle-food. When cotton used to be ginned in the villages by hand-labour, the seed was utilised locally to feed the cattle. Now most of the ginning is done at the factories started at various trade-centres, and the seed, instead of finding its way back to the villages, is being exported in enormous quantities outside India for oil-making purposes. If some means could be devised to treat the seed here, the bye-product cake would then be available as cattle-food. I venture to submit that our Agricultural Department would be fulfilling one of its most important functions if it were to import for experimental purposes the machinery that is used in Hull (England) for treating the Indian seed or any other suitable machinery. If the experiment succeeds, private enterprise, I have reasons to think, will not be slow to take advantage of it and to set up, side by side with the gins, oil-pressing factories. The benefit would be two-fold. A new industry would be created, and the valuable cattle-food that is now lost to the country would be available for home-consumption, though in a modified form.

"Land-revenue collection.—The appropriation report shows that in the Central Provinces during 1902-03 the collections under the head of ordinary Land-revenue amounted to a little less than 78½ lakhs as against a Budget estimate of about 80 lakhs. At the last revision of settlement the assessment was fixed at 91 lakhs in round figures. The revenue report gives 84 lakhs as the land-revenue on the roll on 1st October 1902. The difference, 7 lakhs, between the new assessments and the demand on 1st October 1902, represents, I presume, the abatements granted on account of deterioration caused by famine. The actual realization was less by 5½ lakhs than even this figure. I further find that more than a quarter of a crore of outstanding under land-revenue and loans was remitted. Suspensions are never popular, for there is always a strong tendency on the part of the collecting

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agency to recover the suspended demand with the first good crop. I am glad therefore that suspension has been very largely followed by remission. All this indicates a liberality of treatment which cannot fail to evoke feelings of gratitude. I hope the same generous policy will be steadily maintained until, under the vivifying influence of a succession of good seasons, the scars left by the misfortunes of the last decade heal up completely. I further hope that till then proceedings with a view to a new settlement may be kept in abeyance. For even, though the new assessment may not be brought into operation at once, the very institution of these proceedings has a tendency to unsettle men's minds and to substitute for the stimulus of hope the discouragement of uncertainty—a feeling which can not but paralyse all efforts to recover from the effects of the famine. Referring to the revenue report, I find the Chief Commissioner remarking that 'after such a prolonged cycle of bad seasons it was not to be expected that the revenue would be promptly collected without considerable resort to coercive processes.' It is further said that 'Mr. Hewett finds it difficult to believe, since less than 1,000 writs of demand were issued during the year, that unauthorized processes were not resorted to by the Tahsildars.' I am glad the matter has attracted attention. For not only in private conversation but sometimes in Courts of Justice from the lips of witnesses, one hears of expedients adopted for which sanction may in vain be looked for within the four corners of the Land-revenue Act. I am afraid, to some extent, this is always likely to happen. For the range of vision of an officer, whose main duty is to collect, is limited. He seldom looks ahead and is unable to realize that to screw out the maximum sum which a landholder could be made to pay by exhausting all his resources and his credit, may swell temporarily the State coffers, but greatly aggravates the troubles and difficulties of the payer, reduces him, in many cases, to the position of the money-lender's serf, and has altogether a depressing effect on his powers of future recovery. It is satisfactory to know that the Chief Commissioner has placed his doubts on record and has pointed out that 'the matter requires constant attention at the hands of the Commissioners and members of the district staff.' As it is, Mr. Hewett does not 'upon the whole regard the figures regarding coercive processes as altogether satisfactory.' The budget estimate for 1904-5 has been put down at 89 lakhs, which is 5 lakhs more than the revenue on the roll on 1st October, 1902. I hope the estimate has not been pitched too high and that the excess represents past arrears and does not imply withdrawal of abatement concessions.

"*Patwari-cess.*—Referring to the last year's Central Provinces Administration Report I find that the Patwari Fund closed with a surplus of Rs. 1,15,000.

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Now the patwari-cess has a history of its own. Formerly the patwaris were either village-servants or private servants of the malguzars. But now they have become members of the Land Record Department. They owe no allegiance either to the malguzars or to the villagers. They are appointed by, and are absolutely under, the orders of Government. They devote only a small portion of their time to the discharge of duties regarding preparation of village-papers which the malguzars are under a statutory obligation to discharge. Such being the case, the landholders ought not, I submit, to be made to bear the entire burden of the cost of the patwaris' staff. Not only they are made to do so, but the considerable surplus that used formerly, before the amendment of the Land-revenue Act in this behalf, to accumulate out of the proceeds of the patwari-cess after meeting the pay of the patwaris, is now appropriated towards the cost of the controlling staff of the Land Record Department. As would appear from the famous Resolution of 16th February 1902, the imposition of extra duties unconnected with the preparation of village-papers on the patwaris is in some Provinces acknowledged by Government grants towards the remuneration of the patwaris. I submit that the landlords and tenants in the Central Provinces have a just claim on the Government for the same liberal treatment in the matter of this cess as is meted out to their *confrères* in other provinces. The incidence should be so regulated as to cover the patwari's remuneration for the performance of what, before the present system was introduced, constituted village work proper.

“*Irrigation.*—The past year will be memorable in the history of the Province as that in which the State for the first time recognised its duty to carry out irrigation works at the cost of the public revenues. This new and important departure, pregnant with potentialities of great future progress, is the outcome of the deliberation of Your Excellency's Irrigation Commission. The first step may be said to have been taken by the substitution during the last famine of tank-works for metal-breaking and road-making as the backbone of famine relief in tracts where such works were feasible. The recommendation of the Commission that irrigation is likely to be useful only in the rice-country is in entire accordance with the experience of the people as evidenced by the tanks made to irrigate rice-lands during pre-British days. Fortunately the configuration of the country here lends itself to the construction of storage-tanks and a considerable number of them have been suggested by the Commission. Construction of irrigation-works from the State fund is somewhat complicated by the question of return they are likely to yield. But I may be permitted to point out that their value should not be measured by their financial success, but that account should also be taken of the protection they give in years of drought, while in

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seasons of average rainfall they give certainty to agriculture, increase the outturn and enable more valuable crops to be grown. I may mention here that the utility of tanks was fully established during the great drought of 1899. The fertilising streams from two well-known private tanks in one of the affected districts (Bhandara) saved the crops of all villages served by them, giving them the appearance of an oasis in the midst of a burnt-up desert, and the value of the crops thus saved more than compensated the expenditure incurred. The Government also benefited, inasmuch as the revenue was paid in full and no relief had to be given to the people in this tract. Summing up the Indian peasant's financial position, the late Famine Commission remarked, 'in good years he has nothing to look forward to but a bare subsistence, in bad years nothing to fall back upon than public charity.' The margin of profits of our raiyats is so slender and the uncertainties of their position so great, that a compulsory water-rate imposed at the very beginning before the utility of tanks had been brought home to their minds by an appreciable and permanent addition to their profits, would make the tanks unpopular and mar their usefulness. In course of time, when experience will have demonstrated their value, a reasonable water-rate may with safety be imposed. But a hasty step at the beginning dictated by purely financial considerations is likely to defeat the beneficent object the Government has in view.

"Octroi in Municipalities.—Last year the Hon'ble Mr. Sri Ram and myself had referred to the Resolution on Octroi in Municipalities. We had pointed out how a rigid application of the rule laid down therein would lead to financial dislocation. I am happy to find that very recently another Resolution making substantial concessions has been issued on the subject. The principles it lays down are so important that I cannot resist the temptation of summarising them. It points out that no system of taxation can be regarded with satisfaction which runs counter to the traditions and opinions of those whom it affects, that Government cannot resist the consensus of authoritative opinion that indirect taxation is strongly preferred to direct imposts, and that the Governor General in Council is concerned to find that, in order to make good the deficit resulting from a reduction of the octroi-rates, certain Municipalities have been compelled to enhance the rates of octroi on necessities of life or to resort to the unpopular expedient of a house-tax. He has accordingly been pleased to rule that the maximum duty may be Rs. 3-2 in some and Rs. 4-11 in other cases. We in Nagpur have promptly taken advantage of this concession, for which I beg to offer our grateful thanks.

"Collegiate education.—One result of the labours of the Universities Commission, so far as the Central Provinces are concerned, has been that attention has

at last been drawn to what I cannot but call the very inadequate aid collegiate education in Nagpur receives at the hands of the Government. Up till 1885 Nagpur was without a College. In that year the people by strenuous efforts raised a subscription of one lakh and three-quarters, and with this as a nucleus an aided College with a competent staff headed by an European Principal was founded, to which the Government and the local bodies sanctioned liberal grants. At the same time, the Free Church Mission of Scotland, to whom the people owe a deep debt for all that they have done and are doing for education, raised the status of their school to that of a College. When the new College had been in existence for about two years, a proposal was made by the Chief Commissioner (Sir Alexander Mackenzie) to close it as an institution to impart collegiate education and to utilise its trust-fund for an agricultural school. The subscribers could not see their way to agree to this diversion of the fund from its original object. This was followed by the withdrawal, under Chief Commissioner's order, of the Government grant as also the contributions by the local bodies, except that by the Nagpur Municipality, which, however, was reduced. The promoters of the College faced the situation thus created partly by reducing the staff and partly by appeals, which were successful, to the well-wishers of the cause for special aid. Even under these somewhat depressing circumstances, in course of time a commodious building to hold the classes and a hostel to lodge the students were constructed. To the latter the Government (Sir Charles Lyall's) made a liberal grant. In 1893, 'in recognition of the good work the College was doing,' the Chief Commissioner (Sir Antony MacDonnell) gave it a monthly grant of fifty rupees. In connection with the enquiries of the Universities Commission, the attention of our late Chief Commissioner (Sir Andrew Fraser) was drawn to the above state of things, and before leaving the province he left instructions to raise the College to a high standard of efficiency. The matter was promptly taken up by his successor, Mr. Hewett, himself a member of the Commission, and, in consultation with the governing body of the College, he has drawn up a scheme, which provides for an Arts Department manned by a staff of two European professors with English University qualifications and a suitable number of Indian professors. On grounds both of economy and convenience, the arrangements for teaching Science have been made in connection with our Victoria Technical Institute, which is intended to be the centre of industrial and agricultural education in the province and which is now fast approaching completion. I understand these schemes are now before Your Excellency's Government. I earnestly hope and pray they may be sanctioned and thus our collegiate and scientific education placed on a sound and solid basis. One noteworthy feature of

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the schemes which I must not omit to mention is that the popular element has been adequately represented on the governing bodies of both the institutions, co-operation on terms of equality between the official and the non-official elements being the key-note of their constitution. I would fain hope that the days of doubts and difficulties are over and that, animated as all are by a single-minded desire to advance the best interests of the province, the two institutions fully equipped and working side by side, will, by solid work honestly done, realize the hopes and aspirations of those who have laboured long and hard to bring them into existence.

“ Co-operative Credit Societies Act.—The Co-operative Credit Societies Act passed last week, though not likely to prove a panacea for all the evil influences that now operate to keep our agriculturists down, is undoubtedly an useful piece of legislation. In the case of those who are in a fairly prosperous condition and are sufficiently advanced to be able to combine for their common benefit, there is every likelihood of the societies under the Act taking root and proving a success. The real difficulty lies in the application of the Act to those who are not so favourably circumstanced and who are in need of some extraneous help to lift them out of their present condition. Under this category come the majority of the raiyats in the Central Provinces. I am inclined to think, as I have submitted on one or two previous occasions, agricultural banks somewhat on the lines laid down in the Government of India's despatch of 31st May 1882, would perhaps better meet the requirements of the case here. At the same time, the Act, I think, could be made to yield good results even in these cases if some of the respectable moneylenders, who now deal with individual raiyats, could be induced to deal instead with the societies formed under the Act. I must confess I do not share in the morbid dread of the moneylenders as a class which seems to dominate the judgment of some in this matter. As a result perhaps of the hard times, there has sprung up within recent years a class of petty saukars, who perhaps deserve all that is said to their prejudice. But we have among us a class of moneylenders in whose family the business may be said to run from generation to generation. I do not think that taken as a whole their profits are either extravagant or unreasonable, or that their terms, so long as they are punctually fulfilled, oppressive. I hold strongly the view that in my province the success of the measure would depend largely on enlisting the sympathy and co-operation of these people. If you alienate them, I should like very much to know who is to finance the societies. I entirely agree in thinking that the State cannot take it upon itself this duty. It is not possible for it to lend annually to thousands of raiyats all over the country. Nor is it a good policy that it should add to the odium of the tax-collector that of the money-

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lender and debt-collector. *Takavi* is for seasons of distress and not for ordinary times. Lately, my Local Government advanced 16 lakhs for seed, etc., in the rice country, where the rains had failed, and rightly so. But it could not, and should not, do so in a normal year. I see therefore no way out of the difficulty except by calling in the aid of the class of moneylenders I have mentioned above. To found altogether new banking institutions for the object in view would present many practical difficulties. The substitution of societies in place of individuals would largely reduce the cost of establishment and Court expenses, as also the loss resulting from the insolvency, and not unoften the dishonesty, of the debtors. This must automatically, as it were, lead to the gradual introduction of an easier rate of interest than is possible under existing circumstances. Your Excellency was pleased to speak last week of the responsibilities of my countrymen in this matter. Permit me to say, my Lord, that the leaders of my community in Nagpur have been anxiously looking forward to the day when discussion and deliberation would end and the time for action would come. And now that the opportunity has at last come, they will be found, not sulking in their tents, but at the post of duty.

“Increased pay to British Soldiers.—The item of £493,900 referred to in paragraph 13 of the Statement is, as has been kindly explained to me by the Hon’ble the Finance Minister, part of the sum of £800,000, in round figures, representing the recent permanent addition to the Indian military expenditure on account of increased pay to British troops. The circumstances under which this heavy burden has been imposed in disregard of the protest of Your Excellency’s Government are, I feel bound to submit, such as are ill calculated to inspire the Indian people with an abiding faith in the justice of the Government in England in its pecuniary dealings with India. To quote the words of one of Your Excellency’s predecessors, Lord Mayo, the Government ‘would not be justified in spending one shilling more on our army than can be shown to be absolutely and imperatively necessary’, and that ‘every shilling that is taken for unnecessary military expenditure is so much withdrawn from those vast sums which it is our duty to spend for the moral and material improvement of the people.’

“India and fiscal reform.—Reference was made to the despatch of 22nd October last setting forth the views of the Government on the movement now in progress in the United Kingdom for the transformation of the fiscal system that has prevailed there for the past sixty years. I may be permitted to make a few remarks on the subject from the point of view of Indian interest. We have no protective tariffs. All our import-duties are revenue taxes. The excise-duty on cotton-goods removes the only argument which could be urged against our

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system as having a protective character. My countrymen are not of the same mind as to the wisdom of this system. Some are of opinion that the infant industries of India in their competition with foreign countries are entitled to some protection, and that without it they are not able to carry on a fair fight with countries having the advantage of a long start in the progress of industrial development. Others again hold the view that defective knowledge, want of adequate capital and a spirit of conservatism—these retard more effectively the progress of our industries than any want of protection. Looking at the matter from a practical point of view, it strikes me that we are not called upon to decide at this juncture which of these contending views is sound. For there is no likelihood of India being granted a perfectly free hand in adjusting her tariff for the protection of her industries, supposing protection is good for them. The experience of the past shows that the interest of the British manufacturers will have to be duly safeguarded in any scheme that may be formulated. It is inconceivable, for example, that the powerful manufacturing interests in Lancashire will ever permit the imposition of protective duties of any kind on their goods in order that the Indian mill-industry may be fostered. Such being the case, our interest lies in the maintenance of the existing state of things. A modified scheme, which will subordinate Indian to British interests, while doing no good to India, will only create heart-burning, which, instead of promoting, will arrest the growth of consolidation of the Empire, which it is the avowed object of the new policy to bring about.

“Excise-duty on cotton-goods.—After the emphatic declaration of the Hon’ble the Finance Minister, it would serve no useful purpose to discuss over again the question of excise-duty on cotton-goods, though I must confess I am not at all convinced of the justice of the impost by his arguments. But there is one point to which I beg respectfully to draw attention. Lately an attempt was made to find out from statistics whether the mills in Lancashire manufactured any goods similar to those made in India and which paid the excise-duty. It appears the necessary information cannot be had. The only returns which the Lancashire mills have to submit are as to the number of hands they employ and some subsidiary matters arising under the Factory Acts, and no official statistics exist to indicate production of yarn and cloth. This state of things places our mills, which have to submit returns of production, at a considerable disadvantage. For it is clear that rival manufacturers outside India profit by the knowledge of what the Indian mills produce, while our mili-owners are unable to have similar information regarding theirs. I submit that the returns, even if they must be maintained for the assessment of the duty, may not, so far as they disclose details of production, be made public.

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“Technical education.”—The question of industrial development, which has received considerable attention during the past few years, is no doubt, as pointed out, surrounded with difficulties. The present economic conditions, the comparative smallness of the available capital, its slow tendency to increase, the ignorance of the means and methods necessary for its judicious employment, the high charge for banking accommodation, all these combine to present serious obstacles. It is also very true in the abstract that nothing is gained by training our youths for a trade in which there would be no opening for employment; that technical education cannot create industries but only supplies skilled labour to the already existing demands of capital. I believe, however, that a demand for educated labour in many branches of commercial and industrial activity is rapidly coming into existence, and I therefore hail with satisfaction the various measures that have been initiated of late for the introduction of a system of technical and industrial education culminating in the establishment of State Technical Scholarships. These have inspired the hope that we may at no distant future be privileged to see a wide development of our industries and manufactures. The policy which would make India produce only raw materials can only result in reducing the population to the dead level of poverty-stricken agriculturists. A wise and statesman-like generosity has inspired the present policy and, carried out loyally in future in the spirit in which it has been conceived, it will have as its reward a great addition to the wealth of the country and a consequent increase in the happiness and well-being of the people.”

The Hon'ble MR. HAMILTON said:—“My Lord, in the first place let me congratulate Your Excellency's Government, and the Hon'ble Sir Edward Law in particular, on the Budget. The fact that such excellent results have been achieved while still within sight of the recent famines, shows that the finances of the Empire are in very capable hands.

“To one like myself who takes a general interest in the problems connected with agriculture it is gratifying to find the Finance Minister devoting so large a portion of his Statement to the claims of this all-important branch of the business of the Empire, and, as Your Excellency and the Hon'ble Member in charge of the Revenue and Agricultural Department are equally interested in the same subject, it may be taken for granted that we shall soon be able to record as marked a development in agricultural affairs as is possible in a country where progress must inevitably be slow.

“From the tone of his remarks, I take it that the Finance Minister is eager to devote all the money he possibly can to the cause of agriculture, and the

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recent Government Resolutions on Education and the Pusa Farm may be taken as assurances to the same effect. As a guide to what is required in this direction I may here refer to what is considered necessary in the United States of America, my authority being the Official Agricultural Year Book for 1900 which traces the history of agriculture in that country during the previous century. The annual income of the land grant colleges and other institutions in which agriculture is taught is $6\frac{3}{4}$ millions dollars or Rs. 2,01,00,000. On the 54 Agricultural experiment stations the sum annually spent by the National Government is \$720,000 or Rs. 21,60,000, besides an additional Rs. 9,00,000 contributed by the Provincial State Funds. The number of agricultural colleges and other institutions in which agriculture is taught is 64, including the 54 experiment stations referred to. The staff of all the experiment stations numbers 685, of whom 308 are scientific teachers. In this connection it would be interesting, for purposes of comparison, to know what the staff consists of which is now engaged in supervising and encouraging agricultural operations in India, and what are the qualifications of that staff for the work of supervision.

“The Hon’ble Sir Edward Law has mentioned the fact that in the Central Provinces there are now 1,800 subscribers to a monthly agricultural magazine, and that 1,800 copies of a pamphlet in the vernacular have lately been sold to cultivators. The number of publications issued annually by the American Board of Agriculture is 6 millions, besides numerous bulletins issued by the various States.

“While on the subject of agricultural education, might I, in view of the recent debate in this Council, quote the following words of the Director of the American Experiment Stations, *viz.* :—

“Along with the improvement of the college courses in agriculture has come the realization of the true function of these courses. It is understood that they are for the training of the leaders in agricultural progress, and not for the general education of the agricultural masses. For this purpose they are to be made as thorough and complete internally and externally as the manifold needs of American agriculture for well-trained and intelligent leadership may require. Their success is to be judged by the same standard that is applied to other college courses, and the number of students is not of so much importance as their quality.”

“My Lord, the figures I have quoted may send a shiver of despair through the Hon’ble Members in charge of the Finance and Agricultural Departments, but a Finance Minister who can spend 15 crores on a famine and shortly after come forward with handsome surpluses may be trusted to find the money.

"Rs. 30,60,000 is the sum annually required to run 54 agricultural experiment stations on the American scale, but four or five such institutions, or the equivalent of Rs. 3 lakhs, will, for some years to come, suffice for India, and the paltry sum named will not upset either the Finance Minister or his Budget. It need not even come out of the taxpayer, for less than one million of the ten and-a-half million sovereigns now lying fallow in the gold reserve, if invested in three-half per cent. paper, would yield sufficient to run half a dozen experiment institutions, and would at the same time reduce the national debt.

"My Lord, is it too much to ask that the farms which it is proposed to attach to the experimental institutions should be large enough to serve as commercial object lessons? Your Excellency has on several occasions expressed surprise that capital does not flow more freely from Europe into India; the reason, my Lord, is simple; capital does not see the dividends. Surrounding the American experiment stations are a great body of intelligent farmers with some capital at their command who eagerly co-operate with the stations and give practical effect to their teaching. In this country there is no such medium, and a bridge is therefore necessary to cross the gulf which separates the proposed institutions from the practice of the people; and it is here that a great opening may be found for European capital and enterprise. My Lord, when the institutions believe they have got hold of a good thing, let them plant out 500 acres and publish the financial results; if these are satisfactory, Government will be in pocket by the experiment, and capital will at once begin to flow.

"In a recent memorandum Mr. Mollison pointed to theft of the crops grown, as a difficulty in the way of European enterprise in agriculture. To meet that difficulty he suggested some sort of share system with the native cultivator. Difficulties of this kind can, I have no doubt, be surmounted; perhaps as good a share system as any would be for the European, or the Indian capitalist working on Western lines, to become the landholder, and take his share by way of rent. If the 100 million acres of cultivable waste-land which are still available in India and the millions of landless labourers who are the first to go down in famine could be brought together under a system of this kind, some interesting problems might be solved. Only the other day I heard of a large European zamindari in Eastern Bengal in which the proprietor has had only one law-suit for rent in thirty years. My Lord, these are the zamindaris which are wanted throughout the country, and which Government should do their best to foster. What India wants is fair dealing and cheap capital. What the raiyat wants is a place in which he and not another shall reap the fruits of his labours, and

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legislation like the Punjab Land Alienation Act and the Co-operative Societies Act may, I hope, be taken as an earnest of the fact that Government has decided to clear the path of progress of the pests which now suck the life of the people.

“ The Hon'ble Sir Edward Law describes the additional Army expenditure as 'regrettable' but 'inevitable.' My Lord, if Indian agriculture is to hold its own, further expenditure in that Department is also inevitable and would not be regrettable, for the welfare of India is inseparably bound up with agriculture. The raiyat pays the land-revenue and the bulk of the salt-tax, the raiyat's labour yields the opium-revenue. The raiyat pays the best part of the excise-income, and all the other branches of revenue are more or less dependent on his labours. The raiyat fills the railway waggons and loads the steamers; the raiyat grows the jute and fills the gunny bags; the raiyat grows the cotton and wears the manufactured cloth. In short, to quote the ancient sage, 'the profit of the earth is for all, the king himself is served by the field.' My Lord, while the empire rests as much on the raiyat as it does on the sword, the claims of agriculture must have a first place in the Budget. I might go even further and base these claims on military as well as on agricultural grounds, for in an empire like India, which is subject to fears within as well as to fightings without, what better protection against both could there be than a great army of well-fed and contented peasantry? With the Himalayas in front of him and an army composed of millions of the peasantry of Northern India at his back, His Excellency the Commander-in-Chief might safely 'hang the trumpet in the hall and study war no more.'

“ I am glad to find £8,107,600 budgeted for capital expenditure on Railways. The amount budgeted for Major Irrigation Works, namely, £833,300, seems comparatively small, but we may hope for an increase next year, when, if approved, a commencement may be made with the programme sketched out by the Irrigation Commission. That programme, involving, as it does, a capital expenditure of Rs. 44 crores, will require a capital outlay of over Rs. 2 crores per annum for a period of twenty years, and the Irrigation Commission wisely suggests that it should be carried out in a regular and systematic fashion by loans, irrespective of the exigencies of the Budget. As the expenditure taken as a whole is not likely to prove remunerative, provision will have to be made from revenue for a possible loss in working, and the Hon'ble Finance Minister is perhaps wise in not holding out hopes of wholesale reductions in taxation. I should certainly like to see a reduction made in the salt-tax, salt being a necessity for man and beast, but I should deprecate anything in the shape of permanent

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remissions in the land-revenue, that being the soundest form of taxation ; while the remissions are apt to find their way into the pockets of men for whom they are not intended. I would again congratulate Your Excellency's Government on the extremely satisfactory condition of the Empire's finances."

The Hon'ble MR. BILDERBECK said:—"My Lord, I ask your kind permission to touch briefly on one or two matters in which the interests of higher education demand consideration in connection with the Budget proposals.

"In the first place, I would refer to a matter in respect of which I made an appeal to Your Lordship's Government a few days ago—the necessity of giving early effect to those sections of the new Universities Act which empower Universities in India to appoint University Professors and to erect, equip and maintain laboratories, museums and libraries. The importance—nay the urgency—of the question is undeniable, but I shall not occupy the time of the Council by repeating arguments with which Members must be quite familiar. The prosperous financial conditions of the country, indicated by the Budget Statements of this and recent years, and the fact that Government has determined to spend money liberally on the establishment and maintenance of the Agricultural Institution at Pusa and of a Staff College for the training of military officers in India, inspire the hope that Government will at an early date be prepared to take into serious consideration a scheme for raising the character of University education and promoting the influence and utility of Universities.

"Associated with the subject just mentioned is another—the recruitment of Educational officers for the Colleges maintained by the State. In the debates on the Universities Bill that have lately taken place in this Council, very strong language was employed in criticism of the qualifications of gentlemen sent out by the Secretary of State to fill professorial chairs in the Government Colleges in some parts of India. Now, my Lord, while the strength of the language seemed to me to be disproportionate to the circumstances in connection with which such language was employed, it must be admitted that it is an open secret that the various Local Governments do not always obtain the men with the qualifications they indent for; that the article supplied through the India Office is not always in accordance with specifications; and, secondly, that Government Colleges are in a chronic difficulty in respect to the engagement of the services of suitable men to fill temporary vacancies in the chairs of Professors who go on leave or are transferred to other posts. In reference to the first of these matters, I would most respectfully urge that in the interests of good administration generally, and in justice to the Colleges and their students

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in particular, a strong representation be made to the Secretary of State for India in view to the adoption of some more satisfactory system of recruitment than that which now prevails. In the second place, I would suggest that special provision be made in the Budget for the formation of a *Professorial Reserve* the members of which would be available for service in any part of India. The officers belonging to the Reserve might be brought out as probationers on terms similar to those obtaining in the covenants of members of the Indian Educational Service, and be held eligible for substantive appointment on the occurrence of vacancies in the different provinces. In some cases, the members of the Reserve might be men with particularly high qualifications in some branch of Science or Literature who could be employed as University Professors and called upon to deliver special courses of lectures or conduct special classes at convenient times of the year in different parts of the country. I am well aware that many objections can be raised against this proposal, but in view of the many advantages likely to accrue from it, the scheme is well worth a trial.

“My Lord, I have so far suggested proposals which necessarily involve an increase of expenditure on education. I have another which possibly carries with it a potentiality for increasing the funds available for educational purposes, or for meeting educational wants without an appeal to the tax-payer.

“In the Madras Presidency—and doubtless analogous conditions exist in other parts of India—there are institutions known as *mutts* and *chattrams*. The *mutts*—which are of the nature of monastic institutions—were established by pious founders in times long gone by mainly for the encouragement of learning, but in some cases have fallen into unworthy hands that squander and misapply the income arising from their valuable endowments. The *chattrams* are often endowed institutions established for the purpose of providing board and lodging for travellers and poor people. The administration of the latter institutions is, I believe, in some measure under official supervision, and possibly the endowments attached to them are not misapplied to any serious extent.

“I wish to point out in reference to the *chattrams* that it would, I believe, be in some cases perfectly consistent with the object for which they were established if some portion of the income of their endowments could be set apart for the erection of hostels and the provision of meals for poor and worthy students. In other words, the funds of these institutions might be utilised for the establishment of sizarships for this class of students. Such an application of these funds, while promoting the extension of the residential system in connection

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with the educational institutions of the country, would at the same time greatly weaken the force of the arguments of those who condemn the extension of the system on the ground that it increases the cost of education and is therefore unfair to the poor student.

“As regards the *mutts* and similar institutions, it seems to me that, if their administration could be taken over by Government, the value of the endowments attached to them might be considerably increased, and the State would come into the control of funds which could be legitimately employed in promoting the cause of sound learning. It would, I think, be greatly in the interests of the country and of the *mutts* themselves if a small Commission could be appointed—subject to reasonable restrictions—to collect information as to the number of these institutions, the nature and value of their endowments, the objects for which they were established and the way in which the institutions have been administered and also to make proposals for reforms in their management if such be expedient. The report of such a Commission would lay bare the facts and would prepare the public mind for the necessity of reform. From my personal knowledge of the views of many educated men in Southern India, I can say that the mismanagement of some of these *mutts* is regarded as a grave scandal, and I believe that there are many who would sympathise with, and give their support to, a well-considered effort to reform them. If reform be decided on, it would probably be necessary, in order to meet the case of the *mutts* and *chattrams*, to pass a new enactment somewhat on the lines of the Charitable Endowments Act of 1890.”

The Hon'ble DR. BHANDARKAR said :—“My Lord, with Your Excellency's permission I will make a few remarks on some points suggested by the Financial Statement. Though the surplus is stated to be 672 lakhs or, after providing for special grants to Local Governments, 406 lakhs, I am somewhat concerned to find that 6 lakhs and 29 thousand only have been allotted for Education. My Lord, the Government of India has acknowledged, in the Resolution on Indian Education recently issued, that India is entitled to ask for the highest intellect and culture that English or Indian seats of learning can furnish; and, in the words of Lord Reay quoted by me in my speech the other day, ‘India should have the best representatives of English learning.’ Higher education cannot be placed on a satisfactory footing unless we have men of this stamp. And the number of Professors in the Colleges must be increased. No teacher should have a larger class than one of fifty students. If the number of men reading a certain course is very large, they should be divided into separate classes each entrusted to an independent Professor. To secure all this a liberal allowance

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from the Imperial Funds will necessarily be wanted. The present arrangement of sending out men to us from England is clearly defective and must be improved.

“I would at the same time ask Your Excellency’s attention to the great importance of creating among us a class of learned men. Not only will they be the means of advancing knowledge and creating a thirst for it among others, but devoting themselves to study and reflection, away from the turmoils of practical life, they themselves will truly become lovers of wisdom or philosophers and constitute so many centres of influence. To effect this purpose a good many Fellowships in connection with our Universities should, I submit, be endowed. These Fellows should devote themselves to the study of Literature, Antiquities, History, Philosophy and Science in its numerous branches. Their initial allowance should be about Rs. 100 *per mensem*, and it should gradually rise to about Rs. 250 in the course of ten years. They should be required to show that they have been really working, by delivering lectures in connection with the Universities or assisting the College Professors. They should be eligible at the end of the period of ten years for Professorships in Colleges or Head Masterships of High Schools. At present the Colleges maintained by the Native States in our Presidency and some aided Colleges also have only one European on the staff and the rest Indians. Fellows who have been studying a subject for ten years after graduation will make better Professors for these and also for Government Colleges than those who are now appointed.

“I notice a grant of five lakhs to the Calcutta Museum and of one lakh to the Zoological Gardens. Excellent as these institutions are at present, it is proposed still further to improve them. Calcutta is the metropolis of the Indian empire, and it is but proper that the Government of India should provide it with two such first class institutions. But India is a vast country, equal in extent to the whole of Europe except Russia, and Calcutta is situated at the extreme east end of the line of its greatest width. The Museum and the Zoological Garden, therefore, can be of no use to other parts of the country than the Province of Bengal. To expect the people of Bombay, Madras and Lahore to derive any benefit from them is to expect English people to derive benefit from institutions established in Vienna. The interests of the Province of Bengal are committed to the care of the Government of Bengal; but the Government of India should, I submit, look to the interests of the whole country. I, therefore, hope, if we have a succession of such prosperity Budgets, the Government of India will set aside liberal sums for providing such insti-

tutions for the instruction and amusement of the people of Western, Southern, Central, and Northern India. Bombay, Madras, Nagpur, Allahabad or Delhi ought to have such Museums and Zoological Gardens as Calcutta has. And may I say the same thing about the Imperial Library, which institution also has won my admiration?

“The next point that I will allude to is about agricultural education. The Hon’ble Member for Finance has endorsed the opinion of competent Europeans that the Indian raiyat is a first class agriculturist. Still he admits that there is room for instruction in certain points. I, too, readily admit that, but the methods of training suggested in the recent Resolution of Government do not appear to me to be quite satisfactory. These methods I came to know of some months ago in Poona, and that was the opinion I formed of them there. A six months’ course, for pupils of the Training College at the Government Farm to fit them to be teachers of agriculture in primary schools, which is the better method of the two, can furnish the pupils with but imperfect knowledge, and supposing that they did acquire competent knowledge, the method of giving agricultural instruction to boys in a class-room can, in my opinion, serve no good purpose. At present the agriculturists teach their boys, not by means of words spoken, but actually showing to them what they do in the field and making them do it. This is a very effective method and the one now thought of must, I think, fail. And information on the points alluded to by the Hon’ble Member for Finance should rather be communicated to adult agriculturists than to boys. For this purpose the methods at present thought of would be of no use. What I would suggest is this: there is in connection with the College of Science in Poona an Agricultural Branch, where young men are trained for the Degree of Licentiate of Agriculture. The course laid down for that Degree is very high, including, as it does, Trigonometry, Physics, Botany and such other subjects. The preliminary qualification also is high. In connection with the Engineering Branch of the College there is a class for training Overseers required for the lower branch of the Public Works Department. So there ought to be in connection with the Agricultural Branch a class for training what might be called Agricultural Inspectors. The preliminary qualification need not be high and instruction in the practical agricultural portion of the course for the Degree should only be imparted to them. After they have gone through this course and passed their final examination, they should be employed by the Agricultural Department on salaries beginning with Rs. 30 and rising to about Rs. 75 per mensem. About two such Agricultural Inspectors should be employed for each taluq, and it should be

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their duty to visit the fields and give instruction to the peasants working there on the points mentioned by the Hon'ble Member for Finance. But in the present state of circumstances what our agriculturists want is manure. It has been the time-hallowed custom of these men to dry the farmyard manure and sell it or use it themselves as fuel; and they have not the means of procuring manure of this or any other kind elsewhere. I should, therefore, think that the *takavi* advances that are at present made should be made by the Agricultural Department through these Inspectors, and it should be their duty to see that those advances are properly spent, *i.e.*, on the purchase of good seed, necessary agricultural implements and especially manure.

“As regards the statement showing the accumulation of wealth in India, I leave it to those who have closely studied the question of the poverty of India to determine whether that statement makes out a point opposed to their views. But the Hon'ble Member's statement that the rise in the prices of certain articles that he mentions must have benefited the producers, I beg leave to question. As a matter of fact we do observe an immense disparity between the wealth at trading centres like Bombay and Ahmedabad and that in small towns and villages. While the dealers in wheat and cotton roll in wealth, those who grow those articles live from hand to mouth, and are unable to bear the stress of a single unfavourable season even in such a Province as Gujerat, which before was considered impervious to famine. There is evidently an unequable distribution of wealth. The cultivators are unable to take advantage of the rise in the prices of wheat, cotton and other articles. The reason probably is that a good many months before the harvest the traders enter into contract with the cultivators and secure the produce, and hence a rise in the prices at the time of the harvest or later the latter cannot avail themselves of. Besides, the intelligence that is required for securing a due advantage in this respect is wanting. So even here the importance of the education of agriculturists forces itself on our attention.

“The fourth point I wish to notice is that concerning the cotton excise-duties. It is a good deal contentious, but I will venture to say a few words on it. The Hon'ble Member for Finance says in answer to those who maintain that there can be no direct competition between Lancashire goods and Indian goods, that the cheaper price of the Indian textiles will attract to them the purchasers of the finer textiles from Lancashire to the detriment of the latter. But it appears to be forgotten that, except in a few solitary instances, the higher classes, who use the finer cloth from Lancashire, think it derogatory to their position to use the coarser cloth produced by the Indian mills. So that there is really no competition between the two countries except within very small

limits. Again, he says that the charges between Manchester and Indian bazars, including packing, freight, etc., add to the cost of Lancashire goods while the Indian goods are free from those charges; but what I have to urge on the other side is that the initial cost of the construction of a mill in India is greater than that of one in Lancashire, because we have to import from England all the machinery that we require and to pay the charges for packing, freight, interest, etc. The interest on the additional capital must contribute to enhance the cost of production of Indian goods. Stores also have to be imported and those charges paid on them. The Hon'ble Member considers that the additional $3\frac{1}{2}$ annas which the purchaser has to pay on account of the excise-duties does not bear heavily on the consumer. I am sorry I cannot think so. Those who use the coarse cloth manufactured by our mills are mostly the same class of people to whom the diminution of the salt-tax has given relief, and certainly an additional $3\frac{1}{2}$ annas to such people is not inconsiderable. The remission of the duty, therefore, would be of great benefit to them. As to the necessity of additional revenues for the administration of Government, the deficit caused by the abolition of cotton excise-duties may be made up by raising the duty on the rich man's cloth, that is, the cloth of finer texture imported from Lancashire; or, when the growth of home industries diminishes the imports and materially reduces the revenue, there will be time enough to consider and frame a consistent policy calculated to make up the loss. And, finally, one of the chief reasons why these excise-duties are disliked is that they were imposed at the instance of Lancashire. India has become an agricultural country and depends for most of the manufactured articles she wants on foreign countries. The effect is that when there is no rain, or when the crops are destroyed by disease or by locusts or by rats, the country becomes helpless. India's economic salvation lies in the growth of the manufacturing industries as is tacitly acknowledged by the Government of India itself by the recent institution of scholarships to be held by Indians learning certain arts in Europe and America. One such industry has taken root; and it is supposed to have come in conflict with an English industry; and the Home Government compels the Indian Government to overweight it in the race. The anxious heart of an Indian, therefore, asks itself the question, whether, if fortunately other such industries grow up in India and compete with English industries, they will be similarly dealt with, and whether England, immediately that some of her sons nearer home raise up a cry, will always act the step-mother to her Eastern sons.

"The last point that I will touch on, is the steady increase in the Excise-revenue. During the last two years it has increased, we are told, 21 per cent,

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I quite believe that there is no desire on the part of the Government of India to increase the revenue by encouraging indulgence in alcohol, as stated by the Hon'ble Member, but the large increase of excise-revenue during the last four years from 590 lakhs to 738 lakhs cannot but show that drinking has largely increased; and this is confirmed by one's daily observation. However, I am quite satisfied with the assurance that Government of India know their full responsibility in the matter and are now paying special attention to it in the interests of temperance and morality."

The Hon'ble MR. MORISON said :—" Ever since the Government of India entered upon a season of surpluses one complaint has been constantly repeated in the public Press, the complaint that by the closure of the mints in 1893 the Government of India increased taxation, inasmuch as the taxpayer has to pay as many, or nearly as many, rupees of the artificial value of sixteen pence as he had to pay when the natural value of the rupee was thirteen pence.

" I venture to say that if there is one thing demonstrably clear in currency problems, it is that the purchasing power of the rupee has not yet risen in consequence of the closure of the mints; I believe on the contrary that it could be far more easily maintained that the value of the rupee went on falling after 1893; it is generally admitted that an Index number is the only means of arriving at probable certainty with regard to the rise or fall in the value of money, and of all the Index numbers which have been composed I know of none which has been prepared with such elaborate safeguards against error as the series published by Mr. F. J. Atkinson in various issues of the Journal of the Statistical Society. Beginning with the years 1868—76 and taking the average prices of 100 commodities during these nine years as equivalent to 100, Mr. Atkinson has prepared a series of Index numbers up to the year 1901. This Index number stood in 1881 at 95, in 191 at 116 and in 1901 at 135; this last figure is perhaps unduly swollen by the famine prices of that year, but if the whole of that series of figures is consulted it cannot, I believe, be seriously contended that there has been any tendency towards a fall of rupee prices since 1893.

" The depreciation of the rupee since 1893 has been obscured by the stability of exchange with gold countries. I recognise that as soon as the rupee was linked to gold, local prices could not have long gone on rising if the value of gold had remained stable, but a glance at Sauerbeck's tables will show that the value of gold fluctuated greatly in that period; gold prices which had been represented by 102 in 1874 had fallen steadily, until in 1896 they stood at 61. Since that

year they have been rising and in 1900 stood at 75 and in 1901 at 70. As gold prices have been rising since 1896 it is no matter of surprise that rupee prices, though linked to gold, have risen too, and if this proposition is established that the purchasing power of the rupee has declined since 1893, there is no ground whatever for the assertion that by the same taxation the Government is taking more than formerly from the pocket of the taxpayer.

“If then the burden of taxation has not been increased the only question that recurring surpluses suggest is whether the people or the Government of India is likely to make the best use of the money collected in excess of the present needs of the administration; personally I do not believe that the small sums secured to each family by the remission of taxation are at all likely to be employed productively; the money will not, in the familiar phrase, fructify in the pockets of the people. But I can see many ways in which the Government of India might spend these considerable sums upon the people more wisely than the people themselves; and as there will be many claimants for the surplus which I hope the Hon’ble Member for Finance may have to announce next year, I venture to put forward two suggestions; both ideas have been suggested to me by my experience as an educational officer, but they raise such large questions of general principle that they could not, without irrelevancy, be discussed along with the Universities Bill; the first of these suggestions has reference to the organisation of higher education and the second has a direct bearing upon the moral and intellectual development of Indian society though it will hardly add anything to the burdens of the taxpayer.

“At the outset I should like to secure general assent to the proposition that our Colleges in India are in reality nothing more than schools; the age of the students, the methods of teaching, and the standard of attainments are all those of the school and not of the University. Such an estimate of the value of our Colleges may seem invidious from the mouth of an Englishman, and so I prefer to quote the opinion of an Indian friend of mine who took the highest degree in Mathematics that the Indian Universities could bestow, and then proceeded to Cambridge to study for a Research degree. After being a year in Cambridge he wrote to me that he regretted he had not read for the Ordinary Tripos as he found that many boys came up from English schools with a better knowledge of mathematics than he had brought from India; and my friend is a Master of Arts in Calcutta and a Doctor of Science in Allahabad.

“It simplifies many questions of educational policy to recognise that our Indian Colleges are really schools; it disposes, in the first place, of many

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irrelevant reproaches which are constantly made against them ; it is frequently said, for instance, that our Indian Colleges have done nothing for the advancement of learning ; this is true and it would be a serious indictment of a University, but it is no reproach to schools, the function of which is to give instruction in familiar and undisputed truths, and which are not constituted for research. In the second place, if we recognise that our Indian Colleges are really schools, we will realise that we cannot with impunity wrench them from their place in a system of secondary education and translate them to the superior grade of University Colleges ; as schools they are doing very good work, and, if an Indian College cannot as yet claim equality with a german gymnasium or an English Public school, many of them are capable of an approximation to those types ; but if we wish to transform them to the likeness of Colleges in European University we shall be obliged, in the first place, to reorganise and reconstitute them from top to bottom and then to set to work to create substitutes to carry on the work which they have done hitherto. The wiser as well as the easier course is to leave our B. A. Colleges undisturbed at the work of secondary education and to make some provision, on a perfectly fresh foundation, for higher studies. This brings me to my first proposal ; if it is found this time next year that there is a considerable surplus after defraying the ordinary cost of administration, I make bold to ask that a sum of £1,000,000 be set aside as the endowment of a school of advanced studies.

“ The interest upon one million sterling amounts to a little over 5 lakhs, and for the first two years, during which the details of the proposed school were being worked out and Professors engaged, this income could be devoted to purchasing a site and erecting buildings ; and I should like to say in passing that there are in my opinion overwhelming reasons for placing such an institution in the hills. Of the capital sum of a crore and-a-half I would devote the major part, perhaps as much as 90 lakhs, to the natural sciences, because the spread of scientific knowledge is of such paramount importance for developing the material resources of the country. The school of science would perhaps comprise as many as ten chairs, filled by men who had already distinguished themselves in Europe by original work, and their salaries would probably absorb as much as Rs. 12,500 a month, or a little less than half the whole income of the school ; under them would be assistants and demonstrators on smaller salaries ; and the remainder of the income would go all too quickly in the expenses of laboratories, libraries and subscriptions to scientific periodicals. But, though I recognise the importance of science in India, I cannot reconcile myself to the idea of a University solely engaged in the cultivation of such utilitarian knowledge. The 60 lakhs, still unassigned, would yield a monthly income

of Rs. 17,500, and with this comparatively small sum we could not pretend to cover the whole circle of the *literae humaniores*, but we might at least hope to establish a school of Oriental studies which would eventually become the recognised authority upon all branches of eastern learning. This Oriental side would naturally fall into three schools of which the first and largest would be devoted to Pali, Sanskrit and the studies which would naturally be grouped about Sanskrit literature. The second school would be of Arabic and Persian, and I should like to put in a plea for a third smaller group of studies which would comprise Political Economy, Comparative Economics and the Economic history of India, and this school would form a natural link between Science and Arts.

"There is a considerable number of persons in India who honour Sanskrit or Arabic with their lips but who are strenuously opposed to any project for making Indian youths devote much time to the study of these venerable classics ; to allay the fears of this class I would explain that with regard to both Arabic and Sanskrit literature the methods [of study] would be European though the subject-matter would be oriental. This in itself would imply a complete change in the manner in which the languages would be studied, but I mean something more than this—something more than the adoption of philology and of Western principles of Grammar. In Europe the study of the thought of a particular people is made to serve as an introduction to the study of similar speculations in other ages, as, for example the works of Plato and Aristotle at Oxford, though forming part of a classical education, are also made to form the basis of the teaching of philosophy ; and similarly I conceive that in India a thorough comprehension of Vedant would form an admirable introduction to the comparative study of European philosophy ; in like manner Indian history would be interpreted and illustrated by European analogies, and although the history of India is not as rich as that of Greece or Rome in political wisdom, it presents an unrivalled field for those speculations upon the constitution of early society which now occupy so large a place in the scientific study of history. However I must resist the temptation of dwelling upon all the details of such a school of advanced studies. I only wish to show that I conceive of it as a place wholly different from any existing College inasmuch as its object would not be to communicate and examine upon elementary or well-known truths but would be chiefly engaged in those higher reaches of knowledge where the master takes the pupil along with him in his investigations of the unknown. I may perhaps be told that there is no place in the framework of our Indian Universities for such a school ; to this I would reply that I don't think it important that this school should be affiliated to any University ; I do not think that it

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should prepare students for a degree; I do not even desire that its courses of study should terminate in an examination; let us have at least one institution where Indians may read for the love of learning and because they delight in study; on leaving they would take away with them a diploma to the effect that they had read certain subjects under certain Professors and I should trust their after-life to show what benefit they had derived therefrom. But there cannot, I fancy, be any doubt about the desirability of creating at least one such school of advanced studies for the whole of India if once we clear our minds of the illusion that the Colleges of our existing Universities are ever likely to undertake any really advanced teaching.

"I urge the endowment of this school in the interest of the Indian student, who is at present obliged to go to Europe if he desires to become proficient in any branch of science or scholarship, and I urge it even more strongly in the interest of Indian society generally as I am convinced that the intellectual level of a people must be sensibly heightened by the creation in their midst of a body of genuine scholars. This closes what I would say here about my first proposal, and with regard to what follows I speak with diffidence and hesitation as I am venturing outside the area with which I am personally acquainted.

"Scholastic education is not after all the only or indeed the prime factor in the moral and intellectual development of a people; the callings which they follow in after-life determine far more profoundly their position in the scale of civilization. I have often been tempted to wonder whether the intellectual benefits of academic training have not in India been counter-balanced by a loss of masculine virtues; schools and colleges have diffused a set of new ideas which the people have come to value very highly, but the effect of British rule has been to keep the people at large in *statu pupillari*, in which the opportunity never occurs of deciding upon momentous issues and of taking a responsible part in grave emergencies. If it is a fact that the leaders of Indian society have lost the capacity to act in a crisis, that fact would seriously detract from the ultimate and permanent value of British rule. Much of the political speaking and writing which one hears now-a-days is of a kind to make one fear that such has been the case. I confess that I would rather, were it possible, have the opinion of Mahdajee Sindhia or of Ranjit Singh upon a political question than of the leaders of the Congress. Such an enfeebling of the people is, I am convinced, altogether alien to the intentions of the Government; but the present seems an appropriate time to signalise the danger, because the division and redistribution of provinces which is now in the air suggests a means of

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partially counteracting it. I put forward the suggestion that a small Province or Chief Commissionership might be formed and be officered exclusively by Indians ; a suitable field for this experiment might perhaps be found in Orissa enlarged by the addition of the Uriya districts of Madras and the Central Provinces ; this area contains but a small number of vested interests which could take umbrage at such a change, and the administrative problems are not, I imagine, either so complicated or important as to offer an insuperable objection to the experiment. When the area has been selected and defined my suggestion is that the Government should declare their intention of reserving to Indians for a certain experimental period all the appointments in this province from that of the Chief Commissioner downwards.

“ It would not, I believe, be impossible to find Indians in the higher ranks of the Civil Service, now serving in other Provinces, to act as Magistrates in so small a number of districts, and Indians already fill with honour a considerable number of District Judgeships. It is not incompatible with my proposal that there should be a transitory administration in which the Chief Commissioner and some of the Secretariat should be Englishmen. There are Englishmen in the Covenanted Civil Service who are admirably fitted by temperament as well as by capacity to initiate their Indian juniors into the higher branches of administration, and many of these men would warmly sympathise with a well-considered plan for placing Indians in positions of greater responsibility.

“ While putting forward this suggestion I wish emphatically to dissociate myself from those who think that the administration of the country would be improved by reducing the number of Englishmen in Government employment. I am myself in the service of a governing body which is composed wholly of Indians, and of their own initiative my employers (who are a very representative body of men) are continually urging upon me the importance of adding more Englishmen to the staff of the College ; if these gentlemen find that, in so comparatively unimportant a concern, their interests are best served by employing the expensive Englishman in preference to the cheaper Indian, I cannot believe that the State can afford to reduce the number of Englishmen in its employment.”

“ But I should be glad to think that the efforts of the Government to elevate the people were not confined to imparting instructions in science and scholarship, but also comprised the far harder task of fitting them worthily to fill the highest offices in a civilized State.”

The Hon'ble Mr. PEDLER said :—“ My Lord, the Financial Statement made at the meeting of this Council last week was of so satisfactory a nature

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that it almost renders comment superfluous. It must be a source of the very greatest satisfaction to Your Excellency and to the Financial Member that the figures given in the Budget testify to the existence of prosperity in almost every part of India, and that so far as can be foretold the coming year is likely to be equally prosperous. It is, I imagine, the lot of few Indian Finance Ministers after having had to provide for an expenditure much larger than usual, still to be able to be generous in making liberal grants in settling certain Provincial contracts and also to have a most comfortable surplus to fall back upon after meeting such abnormal expenditure.

“In arranging the new Provincial Settlements I understand Bengal is to receive an additional lump grant of a third of a million pounds sterling, a sum which can be very well utilized in that Province in pushing forward various most necessary and urgently required reforms.

“It appears to me too the Government of India has taken a most important step in the matter of these new Provincial Settlements, a step which will have the most beneficial and far-reaching consequences in the development of the country. Indeed, the influence of this change of procedure is to my mind one of the most remarkable features in this Financial Statement.

“The Financial Member remarked at the time of making his statement:—

‘It cannot be said that the system of quadrennial settlements proved satisfactory, for with such a short period of settlement it inevitably occurred that in the first year of the term the Local Government was necessarily feeling its way under new conditions and cautious about expenditure, while in the last year, if, as was generally the case, the balances were large, there was a natural tendency to extravagance lest the terms of a new settlement might reduce resources for expenditure.

‘The object of the arrangements now proposed is to give as great permanence as possible to settlements, so that Local Governments may be able to form plans involving expenditure with greater certainty as to future means of providing for their execution and at the same time have a more permanent interest in the growth of assigned revenues.’

“The previous system adopted by the Imperial towards the Local Governments and the system which still exists in the relations between the Local Governments and the various Departments working under them has always seemed to me to be anomalous and the principle underlying these arrangements to be distinctly unsound.

“The old system of the quinquennial settlements can be compared with the case of a wealthy father who says to his son who is setting up house for himself,

I will give you a certain income for the next five years, but at the end of that period, if you have any cash balance left, I shall ask you to refund it to me, and as that balance will show me your income is too large for your wants, I shall probably reduce your future income by a corresponding amount. I am sure the natural outcome of such an arrangement would be that towards the end of the agreement the son would certainly not be inclined to save money or to be economical, but would spend every penny he was entitled to in order to prevent his future income from being reduced.

“ Was not this the exact position between the Imperial and Local Governments up to the present new arrangements, and is it not also the position between Local Governments and the Departments serving under them at the present time, except that in the latter case the settlement is annual. If the change now introduced in the financial relations between the Imperial and Local Governments is pushed to its logical conclusion, it should, I think, be applied as far as is possible to the relations between the Local Governments and their subordinate Departments and even also in the sections of such Departments.

“ Hence, it appears to me the principle now approved of by the Government of India is a most important one and may have the most far-reaching consequences in making towards steady continuity of work and real economy in carrying out all important developments, and I feel sure the principle will in the future be extended in various directions.

“ There are a few special points in the Budget Statement to which I should like to make a passing reference. The Hon'ble Sir Edward Law drew special attention to what is being done by Government in the matter of agricultural enquiry and development, and there were few more important parts of his speech than those in which he indicated very briefly what had been settled as to the new Agricultural College and Research Institution at Pusa. I look upon it that this will form an entirely new departure in Indian agricultural work and, with research and teaching of a high order which will go on hand in hand in the future, the possibilities of advance are enormous. Hitherto in Bengal the only attempts at giving an agricultural education have been made at the farm at the Seebpur College, but this experiment has been far from a success from the unsuitability of its surroundings and from other defects. It is hence proposed that the Seebpore agricultural class shall be closed when Pusa starts work. In the future, with the highly qualified staff and the improved educational opportunities at Pusa, the training in agriculture of Indian students,

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and specially of those in Bengal, should give a wonderful impetus to Indian agriculture, and should open out new fields of work. One of the instances of such research dealt with by the Hon'ble Member shows how much can be done by expert attention to details in any industry, and he indicated how by improved processes of indigo-cultivation and manufacture and by improvement in the general management of the industry the fierce competition from synthetic indigo has been and is being met. He mentioned, it is true, that prices have now fallen largely and that the synthetic indigo had been reduced from a price of 17 pence a pound to 8 pence a pound ; so that it is clear the competition has been and is most severe, but Sir Edward Law holds out the hope that by further improvements the natural product may still hold its own in competition with the artificial. Every one interested in this industry in India will be glad therefore to know that the fight is to be continued, and that Government is trying its best to help in the matter by the grant of substantial assistance.

“It must not, however, be forgotten that we have already had parallel cases in history and that thirty years ago the madder industry in Europe passed through a similar trial. The colouring matter of madder was first chemically isolated and its inner constitution accurately determined. Two German chemists later on worked backwards from the colouring matter of madder, which is called alizarine, to one of the constituents of coal-tar, and then proceeded to reverse the process and work from anthracene, the coal-tar body, up to alizarine. This colouring matter was thus synthetically produced from coal-tar, but at first by an expensive process so that it could scarcely compete with the natural dye, but improvements in the manufacture of the artificial dye were soon discovered in England which resulted in its cost being largely diminished. Up to this point the parallel is complete. The price of the artificial dye alizarine was not reduced suddenly but only by slow degrees, so as to keep its price about the same or a little lower than the natural product, and thus the artificial alizarine gradually drove a large part of the madder industry entirely out of existence. In these days of rapid advance of chemical science it is well to be fore-armed, and hence every help should be given to the indigo industry to enable it to maintain its present position as long as possible. It would of course be madness to give up the struggle at present, but as science advances this might become inevitable. Even sugar, to the cultivation of which many indigo-planters are turning their attention, may in the future come to be a chemically synthesized product, for one of the forms of sugar has actually been synthetically produced within the past few years, but by a most difficult and troublesome process. There is no danger in the direction of producing synthetic sugar on a manufacturing scale at present.

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“There are many other points in the Financial Statement which show how large-minded are the views of Government and how desirous Government is that true progress should be made in all directions. Most liberal grants are being made for the fostering of science and culture in the matter of aid to museums. Prominent amongst these grants is that of five lakhs to the Imperial Museum and that of one lakh to the Zoological Gardens of Calcutta. As a member of the governing bodies of both these institutions I cannot help expressing the warmest thanks for this most liberal help which will place these institutions on a much more satisfactory basis than hitherto. In the case of the Imperial Museum it is hoped to practically rearrange it and to make it not only more valuable and useful from a scientific point of view, but also to make the Museum more popular and attractive. With this large grant it is hoped most valuable scientific work may be done. In the case of the Calcutta Zoological Gardens, for a long time many of the animals have been housed in such a manner that it must have been most unhealthy and even cruel for the animals which are kept in captivity, the cages being in many cases much too small for the free movement of the animals in them. The grant of one lakh will enable much to be done and will make it possible to show the animals under much more healthy and happy conditions. The public of Calcutta will also be deeply grateful for the most liberal grant of fifty lakhs as a contribution made towards the improvement of this town, but it is scarcely my province to criticise this section of the Budget.

“The Government of India has done so much during the last two or three years towards putting education on a more satisfactory basis, and has recently spent so much time in educational debates that I scarcely like to take up the time of the Council by again entering into any detail on this subject. Education is, however, such an important matter that I may be pardoned if I say a few words specially on the ground that the subject is really one in which every thinking person is vitally interested. Education, however, frequently suffers for the fact that its effects are not always to be seen on the surface. Most of the points dealt with in a nation's financial statement represent matters in which an immediate return can be looked for corresponding to any increased expenditure. Thus, when a certain sum of money is devoted, say, to improve the prospects of, or to increase the number of, men in the executive services, an immediate result can be seen in the improvement of such services and in the quickness of despatch of Government business. An increase of expenditure on education, on the other hand, does not show itself at once but only after the lapse of some time or it may be only after a generation. If I were to state facts broadly I should say while it is the executive services which are responsible for the well-being, progress and order

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of the present time, it is on the nature and extent of the education which is now being given that the future of the Indian nation will depend. Proper systems of education now will mean the future success of Government, the future commercial prosperity of the nation and the happiness of India. Improper education will mean the opposite. . Hence the strong plea which I put forward for the continuance of the more liberal treatment which education has secured within the past two or three years and for a still more liberal treatment, if that is possible, in the future. The experience of European nations has shown that progress and prosperity are intimately bound up with facilities for, and the development of, education, and that without appropriate educational arrangements commercial and industrial progress is paralysed. England has recently become awake to this fact and is now putting forward immense efforts in the direction of specialized education, and it is for India to follow on in the same lines as rapidly as circumstances will permit. Money spent on education, whether it is by a parent in the case of a single child or for the children of a nation by the nation itself, is the best laid out money it is possible to conceive. India wants more education of all forms, from the highest to the lowest, for all classes of individuals and as a preparation for all forms of work.

“I would therefore express the hope that with the continued improvement of the finances of the country which is foreshadowed in this Financial Statement Government will see its way to foster and develop education to a still large extent than has already been the case. I need give no details of requirements in such matters, but to any one interested in education it is clear on all sides improvements and advances are possible. We want better colleges, also training colleges for teachers, better schools, and more practical courses of education ; we also want more contented and better paid educational services, more inspectors, and more highly paid and more highly trained teachers, and many more of them. We want a larger proportion of boys to come to our schools than is the case at present, and still more do we want to see in India as many girls at school as there are boys. For all these money is wanted, and I trust as time goes on it will be made available.”

The Hon'ble MR. ADAMSON said :—“ My Lord, there are three points in connection with Burma, the province that I represent, on which I desire to make a few remarks. The first is the European police. The police throughout India are anxiously awaiting the issue of the report of the Police Commission, and the action to be taken thereon. From the answer to a question asked recently in this Council, and from the answer to a similar question asked in Parliament,

I infer that there may be considerable delay in issuing the report and taking action on it. But the European police in Burma are in a far worse condition than members of their service in other parts of India, and their case urgently demands an early remedy. Memorials were submitted by them in 1901 and 1902, and it was practically admitted that they had grievances which required early action. But as the Police Commission was about to sit, orders were deferred until their recommendations were received. The result is that up to date nothing has been done, and the facts which I am about to mention will show that the position of the Burma police is a very hard one. There was a very large increase in the European staff immediately after 1885 when Upper Burma was annexed. The addition consisted of young men fresh from English public schools. The consequence of a great number of young men of about the same age joining almost simultaneously is that there is a very serious block in promotion. This fact cannot be better shown than by a perusal of the last quarterly civil list of Burma. It shows that in the lowest grade of Assistant Superintendents, whose pay is Rs. 300 a month, the lowest officer has 16 years' service. Beneath him there are numerous officiating Assistant Superintendents drawing Rs. 180 a month, whose average service is 14 years. The total number of District Superintendents is 40, and of these as many as 23 are in the lowest grade drawing Rs. 600 a month. The pay of the highest grade of District Superintendent is Rs. 900 a month, as compared with Rs. 1,000 in other provinces of India. Owing to the block of promotion only four officers must retire on account of age within the next five years, so that by 1909 every Assistant Superintendent in the force will have over twenty years' service. All this happens in a province where the necessary cost of living of a European is at least 75 per cent. higher than in the average province of India. The men who are in this lamentable position, living from hand to mouth, unable to afford to take furlough, without even the prospect of earning a full pension, are the survivors of the men who took the most prominent part in adding Upper Burma to the Empire, and who saved Lower Burma when it was in the throes of a rebellion that has not had its parallel in any province of India since the days of the great mutiny; for, as every one who knows the history of Burma is well aware, the third Burmese War was essentially a policeman's war. It is unnecessary for me to enlarge on the subject. The memorials of the police-officers and the reports on them are in the hands of the Government of India, and clearly and completely state their case. I desire to urge the strong necessity for taking immediate steps to improve the condition of the European Burma police without waiting any further for the result of the Police Commission, which has already

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deferred for long a question that, but for the existence of the Commission, would have been recognized years ago as admitting of no delay.

“The second point to which I desire to refer is the importance of pushing on railway construction in Burma. For the last two years practically no railway construction has been going on at all. At the present moment there is not a yard of railway under construction, although the projects for the Pegu-Moulmein line and the Henzada-Kyangin line have been approved. The reason is that the Burma Railway Company were not prepared to construct these lines on the terms provided in their existing contract. New terms have now been suggested by the Secretary of State to which the Company have agreed, and these new terms are to apply to—

- (1) the Pegu-Moulmein line,
- (2) the Henzada-Kyangin line,
- (3) the Daga loop to the Henzada-Bassein Railway.

It is to be hoped that work on the first two of these lines will be begun this year. A survey is at present being carried on of a railway to Arakan, and I understand that the Engineer, Mr. Lilley, has obtained an excellent length through the Yomas from Prome, which with a tunnel of 4,000 feet long will not involve a rise of more than 1,800 feet. The surveys will probably be ready soon. The Southern Shan States line to Taunggyi has been surveyed and estimated on the 2'6" scale, and the estimates have been received. The Chamber of Commerce is strongly pressing for this line, and Sir George Scott, the Superintendent of the Southern Shan States, who has a unique knowledge of the country, believes that it will pay. If it can get to the plateau through the Terai as far as Kalaw, it would cost only 45 to 50 lakhs. This line would open up the Southern Shan States with its fertile soil and European climate, and would give a great opening for European enterprise. It might advantageously be included in the new terms, and work on the Pegu-Moulmein, Henzada, Kyangin, and Southern Shan States lines might be commenced simultaneously, and before the Daga loop which has not yet been surveyed. Later on will come the Araken railway, the estimates for which are being prepared. To show the enormous advantages of railway communications in Burma I will take the cases of two districts, Tharrawaddy and Toungoo, where water communication is deficient. In Tharrawaddy the land-revenue has increased from two lakhs to ten lakhs since the railway was opened 27 years ago. In Toungoo, since the

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railway was opened twenty years ago, the population has nearly trebled, cultivation has quintupled, and the revenue has been multiplied eleven times. Of course we cannot expect these results on lines outside the delta, or rather outside the plains of Lower Burma, but there is little doubt that, if indirect returns are taken into consideration, the railways which I have mentioned will eventually pay. Above all I desire to urge that now that the Government and the Railway Company have come to terms adequate grants should be given at once to enable the railways to which the terms apply to be completed as soon as possible. It would be a thousand pities if we are to lose the whole of this year owing to grants not being forthcoming.

"The third point that I desire to mention is the importance of a liberal expenditure in Burma on public works generally. During our last provincial contract we spent over 70 lakhs a year on an average, and during the last two years we spent over 80 lakhs. Unfortunately we did not spend enough, and in consequence we ended the contract with a balance of 138 lakhs. The result was that in our new contract the standard figure for public works was fixed at 55 lakhs, and when a protest was made and a standard figure of 73 lakhs was asked for, the Finance Department naturally enough pointed to the fact that we had accumulated a balance which could be expended on public works. In the current contract we spent 94 lakhs in the first year, 97 in the second, and this year we shall spend about the same. We are therefore trenching largely on our balances, which will soon come to an end, and when they do we will have to restrict our public works very largely. Bengal spends about 55 lakhs, but the important point to us is that all work in Burma costs double what it does in India. Consequently 55 lakhs in Bengal is equivalent to 100 lakhs in Burma. We also are an unequipped province. Cultivation and population are rapidly extending, all of which means heavy expenditure on both buildings and roads. Hitherto in this respect the province has been run very much on the cheap. Many of our officers still live in mat houses. Many buildings in Lower Burma require renewal—among others the police buildings, many of which are falling to pieces; and the requirements for satisfactorily housing the police are estimated at at least 17 lakhs. In the province of Tenasserim there are few roads. The large district of Mergui has only about eight miles of road. In Lower Burma we have no great open plains, as we have in India, and we cannot expect forest to be cut down and waste-lands to be cultivated if communications are not provided to enable produce to be brought to the market. No doubt Burma revenue is increasing rapidly every year, but it will increase still more rapidly with liberal expenditure. Though Burma is a rich country it is undeveloped. The demands

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for absolutely necessary expenditure increase as fast as the revenue. But it is a country that would pay to develop, and the Government of India should deal with it liberally. I may mention a few big works that must be undertaken soon, *viz.* :—

The Chief Court	12 lakhs.
Completion of public offices	16 „
General Hospital, Rangoon	20 „
Provincial Museum	7 „
Barracks for military police, Shan States	8 „
	<hr/>
TOTAL	63 „
	<hr/>

“It is difficult to see how these big projects can be carried out without starving the ordinary public works requirements for the districts unless Burma is liberally dealt with. Burma is a distant province. It is not under the immediate eye of the Government, and its capabilities are not always very well understood, or invariably kept in mind. What I desire to urge is that in Burma the Government have a magnificent country with a soil and climate that will respond at once to every effort of development, and that the best policy towards it is a wise liberality in all financial matters.”

The Hon'ble NAWAB SAIYID MUHAMMAD said :—“ My Lord, the time has again fortunately come round for congratulating Your Excellency's Government and the Hon'ble Finance Member upon a most satisfactory Budget. The revised estimates for the year which has just closed show a surplus of £2,711,200, which is higher by £1,762,500 than the sum estimated in last year's Budget. This increase is the more remarkable since the Hon'ble Member found it safe to announce a reduction of taxation last year. In exempting incomes below Rs. 1,000 from taxation a definite loss of revenue was expected, but even under this head the actual loss has been less than the estimate. Of far more importance and much wider in effect was the reduction of the duty on salt by 8 annas on the maund. A loss of revenue under this head also was estimated for in last year's Financial Statement, but, as announced by the Hon'ble Finance Member, the actual loss has been less than what was anticipated. And the loss would have been still less but for the unfortunate accident by which the salt stocks in the Bombay Presidency were damaged. This, as the Hon'ble Member says, had the effect of causing 'a scarcity and considerably raising prices in that part of India and thereby unduly checking consumption.' Nevertheless, an increase of 429,218 maunds over the figures of the previous year is reported. Though this may not represent the exact increase in consumption,

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it must be regarded as some indication in that direction. Considering that salt is an absolute necessary of life and the tax presses most heavily on the poorest section of the population, the Government wisely determined upon a reduction of this tax when the prosperous state of the finances permitted it. Any reduction of this tax must necessarily stimulate the consumption of salt. In summing up the debate on the Financial Statement last year Your Excellency observed :—“ Some fear has been expressed that the benefits of the reduction on the salt-tax may be frittered away before they reach the consumer. But if we examine the result of what happened at the last reduction in 1882, and again when the duty was reimposed in 1888, we find good reason for thinking that a difference of 8 annas per maund does filter down to the people, and is reflected both in the price of the commodity and in an increase or decrease of consumption.’ While this is undeniable the fear to which Your Excellency referred is not quite without foundation, since we have the authority of the Hon’ble Finance Member who says in his present statement :—‘ The reports furnished are fairly unanimous in their conclusion that an immediate gain as regards the number of seers purchaseable for a rupee was secured by consumers who were in a position to buy salt by the seer, while it is generally held that a smaller, though direct, gain was also secured by all who were in a position to purchase salt by weight and as a commodity by itself. Unfortunately, however, it would not appear that the natural reduction in price has so far fully reached those consumers of the poorest classes who take their salt in doles from the *bantias* along with other articles. It may be anticipated that in due course the influence of competition will make itself felt in favour of the last class also.’ Until that happens the real object of the reduction in the tax will not have been gained. Salt is not an article which can be abused, and the increased consumption merely shows that formerly all classes of people could not afford to consume the quantity of salt necessary for the proper maintenance of health. Having regard to the state of the finances and the steady increase of revenue, which has already been tried by the severe test of one of the most terrible famines of all time, I earnestly trust the Government will, at no distant date, sanction a further reduction in the salt-tax, so that salt may become really cheaper for the great mass of the population, who have no other option but to take their salt in doles from the seller. This appears to be the more feasible since, in the long run, the surrender of revenue will not be very considerable as the reduction of the tax is likely to be compensated, in a gradually growing measure, by the increase in consumption.

“ My Lord, the next feature of the Financial Statement about which I should like to say something is the question of Provincial Settlements, formerly known

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as Provincial Contracts. The Hon'ble Finance Member observes that the system of quinquennial revisions has not proved satisfactory, as, indeed, is shown by the experience of 27 years. In the first year of the term the Local Government was cautious about expenditure while there was a natural tendency to extravagance towards the end of the term. In support of this view the Financial Secretary in his statement quotes a passage in which the following sentences occur:—'Each Local Government is supposed to be free to enjoy the fruits of its economy, or of the successful nursing of its revenues. But in practice its term of enjoyment is limited to five years, or, more correctly, to the last two or three years of the term of settlement, for during the earlier years it has usually little margin to spend. It is, therefore, under constant temptation to spend its money, not on carefully matured schemes of well thought-out improvement, but on such as can be carried through before the close of the settlement, in order to leave as small a balance as possible for resumption at the impending revision.' This is one way of looking at the question. From the point of view of the Local Government it may be said that it found by experience that the Imperial Government was usually inclined to resume the balance left at the end of the term. Consequently, the inducement to the Local Government for husbanding its resources and setting aside a large balance when the period of revision approached was not very strong. A very interesting and succinct history of provincial finance is given in the statement of the Financial Secretary, who also describes the changes that have taken place in the system and the apportionment of revenue and expenditure between the Imperial and the Local Governments. In the new system that is being introduced the limit of five years has been abandoned and a permanent settlement subject to certain conditions has been made. The new arrangements proposed, to quote the Hon'ble Finance Member, will 'give as great permanence as possible to settlements, so that Local Governments may be able to form plans involving expenditure with greater certainty as to future means of providing for their execution, and at the same time have a more permanent interest in the growth of assigned revenues. It is evident that the Imperial Government cannot undertake any absolute obligation to maintain at all times a definite proportion between the share of increase of revenues assigned to provincial administrations and that which it is necessary to retain to meet the growth of Imperial expenditure, and it must always reserve the right to make either special temporary or more permanent reductions from provincial revenues, if the exigencies of the State should require such measures.' This leaves the position of the Local Government somewhat uncertain, since, although there is the likelihood that the new arrangement may not be disturbed for

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several years, there is also the probability that the terms of the settlement may be revised at any time, even within a period of less than five years. I notice also that the proportion of allotment varies in different provinces: in the divided heads of revenue three-fourths are assigned to the Imperial Revenue and one-fourth to the Local in Bengal, the United Provinces, Bombay and Madras; in the Punjab and Burma, five-eighths to Imperial and three-eighths to Local Revenue; and in the Central Provinces and Assam the proportion will be half Imperial and half Local. The Hon'ble Finance Member will, I hope, favour the Council with the reasons for the difference in the proportion between the various provinces. I recognise fully the generous treatment accorded to the Provinces where the new settlement has been already introduced in making to them initial grants of 50 lakhs each in the case of Bengal, Madras and the United Provinces and 20 lakhs to Assam. At the same time, by the alteration made in the shares, the Local Governments, under the new arrangement, will receive a smaller share for some years than they would have received had the old arrangement been maintained. That being so, it is to be hoped that the permanency of the new arrangement will be real, and the contingency of the Government of India revising the settlement will seldom arise.

“It is gratifying to find that of the rupee loan of three crores which it is proposed to raise in India about half will be spent on Irrigation Works, provision having been made for Rs. 1,25,00,000 in the Budget. So far the increase in the revenue from irrigation is derived chiefly from the Punjab, where irrigation works on an extensive scale have been established and are being extended. In a country like India, where the Government as well as the people are but too painfully aware of the terrible calamity that comes in the wake of the failure of the rainfall, irrigation is justly regarded as the only safeguard against the uncertainty of the monsoon. It will be long before the whole of this vast country can be covered by a network of canals, if indeed, all tracts of country can be placed within reach of irrigation works, but we gratefully acknowledge all efforts that are made to extend irrigation works in different parts of the country. Apart from the fact that the spread of canalisation and every other form of irrigation is a help to the solution of the gravest problem the Government has to face in this country, namely, the uncertainty of the periodical rainfall, irrigation works are distinctly reproductive and are certain to yield a fair interest on the capital investment. As the Hon'ble Sir Denzil Ibbetson said last year:—‘Nothing was impressed upon me more forcibly, when serving upon the Irrigation Commission, than the large scope which exists for the immediately profitable expenditure of capital upon minor irrigation works to the advantage both of Government and the people.’ With the light thrown on

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the subject by the labours of the Irrigation Commission, with the funds about to be raised for the purpose, the Government should be able to proceed to give effect to Your Excellency's words spoken last year:—'We shall have to set to work to provide for every province its reasoned programme of tanks, or reservoirs, or wells, or canals, mapped out over a long series of years, and devised with strict regard to the experience or the exigencies of drought.' I am glad the Hon'ble Finance Member has drawn attention to the experiments made in the Madras Presidency in minor irrigation of drawing water from wells by oil engines and windmills, specially by the former. It is necessary that minor irrigation works should receive as much attention as major irrigation works, for both are of equal importance, though the latter of course are of larger protective value.

"My Lord, in bringing the lengthy debate on the Financial Statement last year to a conclusion Your Excellency made a pointed reference to one of the most serious problems of the administration—a problem which has been constantly before the public and the Government and which has been urgently pressing for a statesmanlike solution. Your Excellency said:—'There is a subject long under our notice, which we hope to deal with in the ensuing year. This is that of the union or separation of judicial and executive functions.' After referring to the great diversity and difference of opinion on the subject, Your Excellency concluded by saying:—'But the question is of great importance, and, whatever our ultimate decision may be, I should like it to be taken up and dealt with in my time.' Among the many expressions of opinion that the Government of India has received upon this question some are constructive as well as critical, showing how a separation between the two functions may be effected, with little or no additional expenditure. The question is one that goes down to the very root of the administration, and the general character of the prevailing difference of opinion may be easily described by saying that while the separation of the two functions is being urged, in the main, from without, the administration it is being resisted, also in the main, from within, the administration. There is nothing unusual in this fact. Whenever a reform of the first importance has been proposed—a reform likely to bring about a radical change in the existing state of things—it has been strenuously opposed by those whom it is likely to affect, in their opinion, in a prejudicial manner. On the other hand, the proposed reform is in strict conformity with the instinct and genius of British administration and also in accordance with the highest justice and the truest statesmanship. Without presuming to anticipate the ultimate decision of Your Excellency's Government, I may respectfully point out that the question is one of reform, and not a

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choice between two courses of action. It is not as if a new system of administration were about to be established and the question for decision were whether executive and judicial functions should be united or separated. The two functions have been long united; the present system has had a very long trial. If it is found, as is contended, that the union of the two functions is not conducive to good administration, then their separation should be effected; if the present arrangement is found the best, of course it will not be interfered with. In the former case such opposition as I have indicated will have to be counted with, but that having been overcome the matter will have been set at rest and the Government will have accomplished a reform which will earn for it the never-ending gratitude of the country and the approbation of history; in the latter case it will amount to the adoption of the line of least resistance, but the question will remain precisely where it is now and will not have been closed.

"My Lord, only one word more and I have done. The increase in expenditure on the army over the estimates for 1903-1904 is shown at Rs. 1,37,69,000, the principal item being the increase in the salary of the British soldier. While regretting the enormous addition to the permanent recurring military expenditure I cannot help recalling the fact that but for the firm and courageous opposition offered by Your Excellency's Government the finances of this country would have been further burdened with the charge of a large resident garrison in South Africa. There was a determination, in disregard of every principle of justice and equity, of saddling India with the cost of an establishment which has not the remotest connection with this country, which owes to Your Excellency's Government an immeasurable debt of gratitude for the unflinching and successful resistance offered to that attempted impost."

The Hon'ble MR. CABLE said :—"My Lord, it must be, I am sure, extremely gratifying to the public generally that the Hon'ble the Finance Member is once more in a position to place before us what may be fitly described as a prosperity Budget. Speaking on behalf of the commercial community, I venture to offer to the Hon'ble Member our hearty congratulations on the handsome surplus. I notice, however, that of this surplus a large portion, which has accrued from profits, will be devoted to railway construction: in other words, the Hon'ble Member proposes to add to block out of revenue. I should be the last person to oppose the fullest possible expenditure on railways. On the contrary, I take the earliest opportunity of expressing my appreciation of the present liberal railway programme; but it appears to me that funds for such purposes might be more properly raised exclusively by loans. Our balances would then be available for the remission of taxation, or for

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the formation of a liquid reserve fund. Such a fund, which should be kept within suitable bounds, would accumulate in fat years, and would serve to counterbalance deficits in lean years; and thus impart to Indian finance an equable stability which would of itself be, I venture to think, a valuable asset in the London market. At the same time constant changes in taxation, which in an Eastern country are much to be deprecated, would be avoided. I am aware that my suggestion may not be entirely in accord with the principles of sound Western finance; but I respectfully submit that the same remark applies with equal force to the present methods of Your Excellency's Government under which profits are devoted to block expenditure. I observe also that, owing presumably to the financial policy of the Government, the closing balances at the end of the year 1904-05 will, it is estimated, be about £3 million less than at the end of the year 1903-04. This appears to me to be a serious matter, particularly in view of the hesitation and difficulty experienced in meeting the demands of trade for telegraphic transfers in January last. My views are not altogether those of my Hon'ble friend Dr. Mukhopadhyaya as expressed today, but I think we both desire the same result, although we approach the matter from a different standpoint.

"My Lord, before leaving the subject of accounts, I would beg leave to tender to the Government the hearty thanks of the mercantile community for the donation of fifty lakhs to the scheme for improving the insanitary areas of this city. I would also venture to ask if the Hon'ble Member will be pleased to afford some information as to the present position and future prospects of the negotiations for a new mail contract between India and the United Kingdom.

"At the instance of the Hon'ble Member the question of establishing a combined Mint to supersede the two Mints at present in existence has been from time to time very seriously considered by the commercial community; and I am bound to say that there is among all classes a growing feeling, amounting almost to a positive conviction, that in view of the great area of this country and of the peculiar circumstances of our rule here, it would be a mistake to be entirely dependent upon one Mint only for our coinage. For instance, and by way of illustration, let us assume the occurrence of a period of internal commotion or mutiny in the country. At such times currency is as much a munition of war as are shot and shell; and the paramount importance of having two Mints instead of one for the production of coin would be then immediately manifest.

"My Lord, the statement of the Hon'ble Member with reference to the income-tax is a frank declaration that that tax should continue to be levied as a

permanent impost, and the Hon'ble Dr. Mukhopadhyaya has addressed forcible remarks to this Council on the subject today with which I find myself in agreement. This Council is aware that when the income-tax was introduced the chief justification for it was found—I quote the words of the Marquis of Dufferin—‘first of all in the extraordinary fall of silver which has recently taken place and in the uncertainty which prevails as to the future fluctuations which may affect its value.’ My Lord, by reason of the currency legislation of the Government, fluctuations, such as those to which Lord Dufferin referred, are no longer possible; and consequently the argument based upon their existence disappears. But at the same time I desire it to be understood that the commercial and trading communities by no means wish to shirk their fair share of taxation. Their objections to the tax are based on the ground that it is unsuited to the circumstances and conditions of this country; that it is inquisitorial in character; that it is largely evaded; and that it is therefore unfair in its incidence. It is upon these grounds that hopes have been entertained for some years past that if circumstances permitted the tax would be removed. I would now ask if we are to take the declaration of the Hon'ble Member as setting the Government seal upon the permanency of the tax; for to my mind in matters of taxation a feeling of uncertainty should be always avoided if possible.

“The Hon'ble Member has made a remarkable statement regarding the cotton excise-duties. The commercial public must have deeply regretted to hear those duties defended on grounds of principle. Hitherto it has been always understood that they were levied as a sop to Lancashire; and I feel bound to protest against their being regarded—and they evidently are so regarded by the Hon'ble Member—as being in any way a legitimate source of revenue. The Hon'ble Member states that the freight and other charges outwards on cottons constitute of themselves a sufficient protection on our Indian goods. I beg leave to differ upon this point, for, apart from other considerations, the law of surplus production, as it may be called, must be reckoned with. Countries like England, where industries are thoroughly well-established, and have reached a great pitch of perfection, are able to produce far more than is necessary for home consumption. Consequently they easily can, and undoubtedly do, often sell to foreign countries at absolutely cost prices in order to keep mills running. The Hon'ble Member observes that a certain amount of revenue is necessary for the administration, and he then goes on to say that as Indian industries develop and check imports, there must be a steady decline in customs returns for which some taxation must be framed; and the trend of his remarks leaves no room for doubt that he looks to excise-duties to fill the gap which will thus be

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created. Where, I would ask, in the slender ranks of our Indian industries, may we expect the next blow to fall? Not, I trust, on, for instance, the paper-making industry of Bengal, because the paper-mills here are, I am told, barely able to pay expenses, by reason of the fact that the Austrian mills are, in spite of the 5 per cent. import-duty, dumping their surplus here at ruinously low prices. The indigenous industry is thus being ousted by cheap importations of a foreign made article; and surely in these circumstances the Hon'ble Member would not suggest that a duty upon paper could be justified as a legitimate source of revenue. The fact is, my Lord, that our nascent industries require, and I think may fairly claim, a certain amount of sympathetic consideration; at any rate our policy should not go beyond what we ordinarily understand to be free trade principles.

“My Lord, the figures of coal exports given by the Hon'ble Member are certainly striking, inasmuch as they show, at least in my opinion, that the export trade in Bengal coal has almost reached its zenith. The Hon'ble Member has made certain remarks as to the quality of the coal exported; but I can assure him that during the last two years at all events practically none but the best qualities have been exported, for the simple reason that only the best have found a sale. In the meantime Cardiff coal is being delivered in increasing quantities at Colombo, while down the coast wood fuel still continues to be used. The trade at the present moment presents a very curious spectacle. On the one hand, collieries in Bengal are, with few exceptions, being worked on the barest margin or being closed altogether, while, on the other hand, as I have before remarked, coal from abroad is being delivered almost at our doors. It follows, therefore, that if it is desired to change this unfortunate state of things the transit charges on the product must be reduced. If not, the export trade in coal will not materially increase; and an increasing export trade is fast becoming a vital consideration for the Bengal coal-fields. The inland demand for Bengal coal is in danger of being curtailed by the development of coal-fields in the interior of India; and Bengal coal has already begun to be displaced at Cawnpore by coal from Daltongunge, while similar displacements will probably ensue elsewhere. If I venture to allude to the fact that my prediction of three years ago as to the future of the export trade in Bengal coal has been fulfilled by the figures now before us, I do so merely with the object of adding some weight to my opinion that the palmy days of the Bengal product may be regarded as past, unless important reductions in transit charges can be made. I offer these observations quite as much in the interests of the railways as of the coal trade itself; and, although there is no need for precipitate action, there are abundant reasons for immediate investigation. Upon this point—I mean the reduction of

railway freights—I am glad to find that the Hon'ble Member is in full accord with the mercantile community. Coal is, after all, only one branch, and that but a small branch, of our vast trade; and the recognition by the Finance Minister that we must in future reckon with the cultivation of new lands in foreign countries and must meet that new competition by improvements in our communications in India, and by reductions in our railway tariffs, may, I hope, be regarded by the mercantile community in the light of a definite promise upon this important question, which will, I imagine, be agitating the Indian Chambers of Commerce during the year.

“On the question of agriculture, I desire to associate myself, if he will permit me to do so, with the remarks which have fallen from the Hon'ble Mr. Hamilton, who has made the subject his own by great study and personal interest. I feel tempted to cap his quotation by one from a more modern authority: it was the Right Hon'ble Mr. Jesse Collings who said that the true position of agriculture in the world's industries is manifest when it is considered that all manufacture is only the manipulation of produce and all commerce is merely its distribution. The question is not only of paramount importance to India, but has become of Imperial concern, the tendency of modern political efforts being entirely in the direction of the absolute independence of the whole British Empire in the matter of food-stuffs and raw produce. Now that the Government of India are paying such great attention and upon such wise lines to the development on a commercial basis of the agriculture of India, I am inclined to think that difficulties may arise unless the principle is thoroughly understood and accepted that commerce and agriculture are in this country mutually interdependent. It appears to me to be unfortunate that in the existing organisation of Government these closely connected subjects are represented in different Departments. For to my mind the trade prospects in any particular product should always be permanently in the thoughts of those who are concerned with its cultivation, in order that its development may bear some relation to the possible demand for it. I merely venture to make these observations for Your Lordship's consideration, as I am convinced of the truth of the apt remark of the Hon'ble Member that ‘the trader can make no profit which is not shared by the agriculturist: under present conditions in this country their interdependence is absolute.’ Both Departments will be engaged on a mission having the same ends in view, and means should be taken to ensure that they should see eye to eye and work hand in hand.

“And now, my Lord, in conclusion, I beg to be allowed to congratulate the Government upon the prospects before them. The evidence of growing pros-

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perity as portrayed in the various tables given in the able and interesting Budget Statement before us are most reassuring, and must be a great source of pride and satisfaction to those who have been engaged in the government of the country during the recent times of trial. There is no sign of decadence in the country's forecast. Difficulties of course there will always be, but none which courage cannot surmount; problems will arise, but none that intelligence cannot solve."

The Hon'ble MR. GOKHALE said :—" Your Excellency, I join heartily in the congratulations which have been offered to my Hon'ble friend the Finance Member on the very interesting Financial Statement which he has presented to the Council this year. I think the Hon'ble Member has been the luckiest Minister that has ever held charge of the Financial portfolio in this country. Large surpluses have been the order of the day during his time. They indeed began before he took charge of his office. For the year that is about to close is the sixth year in succession when a large surplus has been realized. In the opening paragraphs of the new Financial Statement, the surplus for the closing year is shown at £2,711,200, *i.e.*, a little over four crores of rupees. But, as Mr. Baker points out in his note, the true surplus is about 6·72 crores and that of this sum special grants, aggregating 2·65 crores, have been made to Provincial Governments. We thus have the extraordinary phenomenon of a year in which taxes bringing in a revenue of close upon two crores of rupees were remitted, showing, in spite of the remission, a surplus of about 6¾ crores. Never before, my Lord, were such huge surpluses realized in the history of Indian finance, and the fact that they have shown themselves year after year for six years in succession proves conclusively that the level of taxation has been fixed much higher than the needs of public expenditure require or the circumstances of the country justify. The surpluses of the last six years have aggregated nearly 29 crores of rupees. If we take the twenty years immediately preceding this period of six years, we find that the total of surpluses in those years was only 17½ crores and the total of deficits 19½ crores—or a net deficit of two crores. A total surplus of 29 crores in six years as against a net deficit of two crores in twenty years—this illustrates with sufficient clearness the startling change that has taken place in the position of the country's finances. What has brought about this change? There have been no sudden accessions to the wealth of the people, nor has a policy of severe retrenchment been adopted, resulting in a reduction of public burdens. On the other hand, the earlier years of the period were marked by two of the severest famines that India has ever known, causing enormous losses to the people in

crops and cattle, and necessitating a large outlay on the part of the Government for famine relief; and during the later years there has been a notable increase in public expenditure. How then have these large and recurring surpluses been caused? The explanation, my Lord, is not far to seek. For twelve years, from 1885 onwards, the country passed, financially speaking, through a period of exceptional storm and stress, the falling rupee and the falling opium causing the Finance Minister the utmost anxiety and giving him practically no rest. And the level of taxation had to be continuously raised so as to maintain, even in the most adverse circumstances, a budgetary equilibrium between the revenue and the expenditure of the country. The lowest point reached by the rupee was 13*d.* The lowest level reached by the opium-revenue was about five crores of rupees. Since then the rupee has risen to 16*d.* and has firmly established itself there, owing to the currency legislation of Government, and a rise of 3*d.* means a saving of about five crores in the remittances necessary to cover the home charges. There has also been a remarkable recovery in the opium-revenue, the figure for the closing year being actually over 8½ crores. The rise in the rupee and the recovery in the opium-revenue have thus brought about an improvement of about eight crores a year in the financial position of the Government of India. From this we must deduct about two crores, being the amount remitted last year, under the salt-tax and the income-tax; and if we assume that the normal increases in the ordinary sources of revenue go to cover the normal increases in expenditure, we get, on the present basis of taxation, an annual surplus of about six crores of rupees. It may, however, be urged that the improvement in the opium-revenue may not last and that it is not prudent to lower the level of taxation on the strength of the present improvement. Even allowing this to be so, we still have a large permanent excess of revenue over expenditure, and this excess fully justifies a prayer on the part of the people for further remission of taxation. The relief granted last year evoked a general feeling of gratitude throughout the country and nobody has forgotten it. Looking, however, to the prosperous condition of the national exchequer, we feel we are entitled to ask for a larger measure of relief. My Lord, in the twelve years of storm and stress to which I have referred, it was perhaps necessary for the Finance Minister to act on the safe, if somewhat over-cautious, plan of under-estimating the revenue and over-estimating the expenditure. But though the difficulties of that position have passed away, the tradition, once established, still holds the field. And our budget estimates continue year after year to be so framed as to show the smallest possible surplus, when everyone, including, I believe, the Finance Member himself, fully expects that a large

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surplus will be realized at the end of the year. My Lord, an equilibrium between the ordinary revenue and the ordinary expenditure is, of course, a necessity in a solvent nation's finance. Under favourable conditions, even extraordinary charges might be met out of revenue. And, further, to assure the position, a moderate surplus may be provided for. But anything beyond this is opposed to all the received canons of good finance. Nothing, to my mind, can be more indefensible than to raise from the people, year after year—as has been done for the last six years—a larger revenue than is fairly needed for the requirements of the country. As Major Baring (now Lord Cromer) put it in his Financial Statement for 1882-83:—‘It is, of course, desirable to estimate for a moderate surplus. But to keep on taxes in order to secure too large a surplus is unjustifiable.’ The Hon’ble Member himself expressed a similar view in his Financial statement of last year. In announcing last year’s remission of taxation, he said:—‘In view of the present satisfactory situation, it is the opinion of the Government of India that it is neither desirable nor good financial policy to continue levying taxation at present rates, yielding such large recurring surpluses as have been realized during the last four years. It is true that our expenditure is necessarily increasing with the increasing development of the country, and some of our present sources of revenue do not show much sign of elasticity, but for the present our receipts are in excess of our needs, and even should it be necessary some years hence to seek the means of increasing revenue, we hold that we are not justified in continuing taxation at its present level during an interval, which we trust may be prolonged.’ My Lord, in a country admittedly so poor as India is, where, again, the people are just emerging from a series of calamitous years, it is essential that the weight of public burdens should be kept as light as possible. The existence of a large surplus is a direct invitation to the Government to increase expenditure, and further it constitutes a temptation to the authorities in England to try and shift a portion of their own burdens to the shoulders of the Indian Government. I cannot help wishing, therefore, that my Hon’ble friend had seen his way, in view of his large surplus, to recommending further relief to the taxpayers of this country. As the recurring surpluses have been made possible by the currency legislation of the Government, it is but fair that the class whose interests have been most adversely affected by that legislation—the bulk of our agricultural population—should receive the major portion of whatever relief is granted. My Lord, the fall in general prices, as a result of the artificial appreciation of the rupee, has, I think, already begun, however its operation may be hidden from view by other causes. The Hon’ble Member

himself seems to recognize this, inasmuch as he warns us to be prepared for a decline of prices during the next few years. When the full effects of the currency legislation unfold themselves and the final adjustment of prices to the standard of the new rupee takes place, it will be found that a grievous addition has been made to the burdens of the agricultural producer and that virtually his assessment has been enhanced by nearly fifty per cent. The delay that has occurred, owing to various circumstances, in such adjustment taking place, has enabled some people—including even persons in high authority—to make very astonishing claims for the new rupee. Thus we find that the late Secretary of State for India, at the time of presenting the last Indian Budget to Parliament, expressed himself as follows:— ‘While the exchange value of the rupee has externally risen, and has without difficulty been maintained practically at the rate of 1s. 4d., prices have not been adversely affected. In fact the prices of commodities of general consumption have risen rather than fallen. By reducing the number of rupees to be remitted to this country to meet gold obligations, surplus after surplus has been secured during the past four years. And the present remission of taxation is mainly due to the success of our present currency policy.’ I do not wish to trouble the Council with any lengthy discussion on this point, but all I would like to ask is, if the Secretary of State for India really imagines that such an impossible feat as that of raising the exchange value of the rupee without involving an indirect increase in the taxation of the country can be performed, what is there to prevent the Government of India from raising the rupee still higher—say, to 1s. 6d. or 1s. 9d. or even 2s.? The surpluses then would be even larger than now and as, according to Lord George Hamilton’s argument, no harm is done to anybody in India by such artificial appreciation, there is no reason whatever why such a wonderfully easy and simple method of increasing the resources at the disposal of the Government should not be adopted. I think, however, that the Lords Commissioners of the Treasury showed a better appreciation of the true effects of any artificial appreciation of the rupee than the late Secretary of State for India, when, in a letter, dated 24th November 1879, they wrote:— ‘It appears too that the Government of India, in making the present proposal, lay themselves open to the same criticisms as are made upon Governments which have depreciated their currencies. In general, the object of such Governments has been to diminish the amount they have to pay to their creditors. In the present case, the object of the Indian Government appears to be to increase the amount they have to receive from their taxpayers. If the present level of exchange be due to the depreciation of silver, the Government scheme, if it succeeds, may relieve the Indian Government and others, who desire to remit money to

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England, but this relief will be given at the expense of the Indian taxpayer or with the effect of increasing every debt or fixed payment in India, including debts due by raiyats to moneylenders.' I submit, my Lord, that there should really be no difference of opinion on this point, and that the authors of the currency policy should freely admit that whatever its counterbalancing advantages may be, that policy involves a most heavy indirect addition to the burdens, especially of the agricultural population, when its full effects manifest themselves. Of course we all recognize that a reversal of the currency policy, adopted more than ten years ago, is not now within the pale of practical politics. But that only imposes upon the Government the responsibility to take every opportunity that offers itself to grant such relief, as may be reasonably possible, to those to whom the State undoubtedly owes some reparation.

"My Lord, I think that three particular forms of relief may be specially suggested for the consideration of Government on the present occasion. The first is the abolition of the excise-duty on cotton-goods; the second is a further reduction of eight annas in the salt-tax; and the third is a lowering of the land-revenue demand—especially in the North-West Provinces, Bombay and Madras. Of these, the subject of excise-duty has been more than once discussed in this Council, and I do not wish to refer to it at any length today. I think there is now no doubt that this duty is really paid by the consumers, which means by the bulk of our poorer classes; and thus while it hampers the mill-industry to a considerable extent, it also constitutes a serious and perfectly unnecessary addition to the burdens of our poorer classes. The Hon'ble Member says that 'it is impossible to believe that the average enhanced cost to the individual consumer of cotton cloth on account of the excise exceeds $3\frac{1}{2}$ annas per annum.' But I submit that even $3\frac{1}{2}$ annas a year is a serious matter to those whose annual income—taking official calculations alone—does not exceed Rs. 27, as calculated by Sir David Barbour and Lord Cromer, or Rs. 30, as calculated by Your Excellency three years ago, and whose normal state is one of abject poverty and, in the case of a considerable proportion, even of chronic destitution. I think, my Lord, that the arguments in favour of the abolition of this duty are unanswerable and that the moral effect of its maintenance is even more disastrous than the financial or economic one. The Hon'ble Member has, however, urged a strange plea in his Financial Statement to justify the continued levy of so objectionable a duty, and I confess it has surprised me not a little. The Hon'ble Member says:—'Moreover, it must be remembered that a certain amount of revenue is a necessity to provide for the administration of the country and the

cotton excise-dues now return upwards of 20½ lakhs, having increased from Rs. 11,62,947 in 1900-01. It is very easy to object to any and every class of taxation, but those who make objections should, I think, offer suggestions as to how revenue could be maintained if their objections were to be admitted.' My Lord, if my Hon'ble friend really believes that the excise-duty is maintained because it brings in a revenue which the Government cannot afford to give up, he is probably the only man in India or in England who thinks so. Moreover, can the Hon'ble Member be serious when he advances such an argument with a surplus of nearly 6½ crores in hand, reduced to four crores by special grants made to Provincial Governments? Why, my Lord, instead of the Government being unable to sacrifice 20 lakhs a year, there seems to be such a plethora of money in the country's exchequer that the Government do not know what to do with it! I could have understood Sir Auckland Colvin or Sir David Barbour or Sir James Westland using the language that my Hon'ble friend has used. But he, the fortunate realizer of surplus after surplus—such as were never before dreamt of in the history of Indian finance—surely he must not speak as though he knew not which way to turn to make the two ends meet!

"My second suggestion for granting further relief to the poorer classes of the country is that another eight annas should be taken off the salt-duty. This duty was reduced by eight annas last year, and the measure of relief was received with deep gratitude throughout the country. The reduction might, however, be carried still further without any inconvenience. The salt-duty question in India is essentially a poor man's question; for it is the poorer many—and not the richer few—who eat more salt when it is cheap and less when it is dear. The soundest and best policy in the matter—even financially—would therefore seem to be to raise an expanding revenue on an expanding consumption under a diminishing scale of duties. Again, every reduction effected in this duty gives the Government a valuable financial reserve, which may be used without difficulty in times of sudden emergency. A further reduction of the salt-duty is, therefore, from every point of view a most desirable form of relief. In this connection, there is one matter which I would respectfully urge upon the attention of Government. The manufacture of salt in India is strictly under Government control, and practically a Government monopoly. And the monopoly is enforced under restrictions and in a manner which have the effect of transferring about a third of the industry to the foreign manufacturer. Numerous small salt-works which formerly existed on the coast have been suppressed and the manufacture has been concentrated at a few places with a view to bringing it under effective control. The result is

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restricted production. We have an extensive sea-board and salt-mines too, and can manufacture every pound of salt we need. And yet, under the existing fiscal system, about a third of our supply comes from foreign countries. The following figures, taken from the Material and Moral Progress Report for 1901-02, are instructive :—

Imports of salt from	1891-92.	1901-02.
	Tons.	Tons.
The United Kingdom	222,300	259,200
Germany	103,400	76,700
Red Sea and Persian Gulf ports	45,700	147,700
Other places	2,600	32,600
TOTAL .	374,000	516,200

“The imports have thus increased 38 per cent. in ten years ! I submit that in respect of such a prime necessary of life as salt—especially when we have plenty of it within the four corners of this country—we ought not to be forced to depend on foreign supplies to a steadily-increasing extent !

“The third measure of relief which I would respectfully urge upon the attention of Government is a lowering of the land-revenue demand, especially in North-West Provinces, Bombay, and Madras. The most noticeable feature of this branch of revenue is its large and almost continuous increase. In 1890-91 it stood at 24·04 crores. Its rise since then may be seen from the following figures :—

1890-91	24·04 crores.
1893-94	25·58 „
1895-96	26·20 „
1898-99	27·46 „
1901-02	27·432 „
1903-04 (Revised)	28·89 „
1904-05 (Budget)	29·38 „

“An increase of over 22 per cent. in fourteen years ! On the other hand, the figures of cropped acreage are :—

1890-91	194·41 millions of acres.
1893-94	197·38 „ „
1895-96	188·92 „ „
1898-99	196·48 „ „
1900-01	198·31 „ „

“Or an increase of just 2 per cent. in eleven years! Coming to the three Provinces that I have specially mentioned, we have the following interesting figures:—

North-Western Provinces.

Year.	Ordinary land-revenue.	Cropped area.
1886-87 . .	580·7 lakhs.	33·92 million acres.
1902-03 . .	636 „	34·61 „ „

“Or an increase of nearly 10 per cent. in revenue on a practically stationary cropped acreage.

Madras.

Year.	Land-revenue.	Cropped area.
1886-87 . .	460·5 lakhs.	23·01 million acres.
1902-03 . .	582·5 „	24·50 „ „

“Or an increase of nearly 25 per cent., in revenue with an increase of only $6\frac{1}{2}$ per cent. in the cropped acreage.

Bombay.

Year.	Land-revenue.	Cropped area.
1886-87	270 lakhs.	24·2 millions.
1894-95	289 „	24·5 „
1900-01	298·2 „	21 „

“Or an increase of 10 per cent. in revenue with hardly any increase in the cropped area, which shows some fluctuations owing to the prevalence of famine during the closing years of the last century.

“My Lord, agriculture is the only surviving economic stand-by of the mass of the people, and yet no industry in the country is in deeper distress. The soil, under a system of generally unmanured cultivation, is undergoing steady exhaustion. The yield of crop per acre is falling—being now little more than 9 or 10 bushels as against 20 to 35 bushels in western countries with far less favourable agricultural conditions. And the raiyat in most parts is a poor, struggling cultivator, with his resources all but exhausted, and himself more or less involved in debt. In these circumstances, the increases of land-revenue—especially in the Provinces referred to above—are large, and weigh with undue pressure on the land. And I submit that the question of granting relief to the hard-pressed cultivators by the lowering of the assessment is one which, in the present prosperous condition of the country's exchequer, deserves favourable consideration at the hands of Government. While on this subject I beg to acknowledge with pleasure and gratitude the liberal action of the Bombay Government in granting considerable reductions of assessment in the Guzerath districts.

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These reductions amount to 5'30 lakhs on an aggregate assessment of 85 lakhs—or over 6 per cent. Strangely enough, however, the Government have declined to concede any such relief to the Dekkhan raiyats, and yet the case of Dekkhan is the most urgent. The Dekkhan is an arid upland with a poor soil and a precarious rainfall, and yet pays an aggregate assessment of 120 lakhs on a cropped acreage of 11 millions of acres. The MacDonnell Commission have expressed the opinion that it is not only a full assessment, but weighs harder on the Dekkhan peasantry than elsewhere on account of scanty crop-yield, and is one of the causes of agricultural indebtedness. Besides, during the calamitous decade ending with 1901, this tract suffered as no other did throughout the country. The population declined from 62'1 lakhs to 59'4 lakhs; the cropped area fell off, and the crop-losses amounted to over 50 crores of rupees. The cattle loss was over 42 per cent. and there was an alarming increase of agricultural debts. Altogether there was in these districts a degree of agricultural deterioration and economic exhaustion such as had not been witnessed in any part of the country during the last century. And yet so far the only reductions which the Bombay Government have announced amount to a trifle over Rs.3,000!

“My Lord, in explaining an increase of half a million sterling under excise-revenue in the revised estimates for the closing year, the Hon'ble Member says:—‘Increase of revenue is undoubtedly in great part due to improved administration and greater attention to preventive measures, but it is also due, and probably to a very large extent, to improvement in the condition of the people’, which is the Hon'ble Member's paraphrase of the expression ‘increased consumption’. And he proceeds to observe:—‘Satisfactory as is from one point of view a growth of revenue, we could not regard with satisfaction any increase which might possibly be attributed to increased consumption of alcohol in excess of the legitimate requirements of those classes among the population to whom, from long habit and custom, alcohol in moderation is a virtual necessity. There is no desire on the part of the Government of India to increase revenue by encouraging indulgence in alcohol. It is a matter in which we feel our full responsibility, which undoubtedly requires constant, careful watching, and to which at the present moment we are devoting special attention in the interests of temperance and morality.’ This declaration of the Hon'ble Member will be welcomed with sincere satisfaction throughout the country. The revenue under Excise shows an alarming growth during the last twenty years, having risen from 3'63 crores in 1882-83 to 6'64 crores in 1902-03, an increase of 82 per cent., or taking the year 1903-04 to 7'4 crores, *i.e.*, an increase over 100 per cent.

in 20 years. The increase in population during the period has been only 15 per cent. Part of the increase in the revenue has no doubt been due to enhancements of excise-duties and to stricter preventive measures. But a large part has been owing, as admitted by the Finance Member himself, to increased consumption. The import of liquors too has increased during the time by over 35 per cent., having risen from 4·12 million gallons to 5·57 millions. All things considered, there is the clearest evidence to show that the curse of drink is on the increase especially among the lower classes and the wild aboriginal tribes, spreading ruin and misery among them. As appears from the Material and Moral Progress Report for 1901-02, in Bengal the consumption of country spirits in distillery areas shows an expansion of 55 per cent., having advanced from 3·9 lakhs of gallons to over 6·1 lakhs during the decade 1891-92 to 1901-02. So, too, in the United Provinces of Agra and Oudh, the reported consumption of country spirits was 24 per cent. higher. No accurate statistics are forthcoming on this point, but the fact of an expanding consumption is undoubted, and it behoves the authorities anxiously to consider whether more effective measures could not be devised than at present with a view to checking the spread of consumption of these intoxicants among the poorer classes. It is true that some reduction has been effected in the number of shops, but in this matter as much depends upon the sites of these shops as on their number—perhaps more. Were shops to be set down opposite schools, colleges, places of worship, hospitals, etc., as the Hon'ble Mr. Woodroffe said the other day in the Bengal Legislative Council they were in Calcutta itself, it would be of little avail to reduce merely their total number. Local option is the only remedy for an evil such as this. In the Material and Moral Progress Report, to which I have already referred, we are told that 'definite orders have been passed in accordance with the principle formulated by the Government of India in 1890 to the effect that before any new site is fixed for the establishment of a shop, reference shall be made to local opinion and that any reasonable objection shall be entertained.' The instruction here described as authoritatively laid down is as it should be; but it is open to question how far it is acted on in practice. Instances can be cited of shops, in reference to the location of which no deference whatever has been shown to local opinion or sentiment. Further, the existing arrangements of the excise administration leave much to be desired. The 'minimum guarantee' in Bombay, the general auctioning of licenses to keep stills in out-still areas and even the central distillery system, with its varying arrangements for the manufacture of spirits—these are some of the features of the existing administration which require close and careful investigation. The whole

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subject calls for a fresh examination and it behoves Government to institute a searching inquiry. Education would be an effective remedy, but its operation is bound to be slow. I think legislative effect should be given to the direction as to local option.

“My Lord, among the important topics of a general character, on which this year's Financial Statement offers some interesting observations, is the subject of India's balance of trade. The Hon'ble Member states at the outset that he has been much surprised to learn that 'there are considerable misapprehensions abroad on the question of the balance of trade.' And, after examining certain figures for the three years from 1900-01 to 1902-03, the Hon'ble Member records his conclusion that the figures 'entirely dispose of the erroneous assumption that India is paying for more than she receives under the three heads of imported goods, imported investment securities and payment abroad of budgeted Government sterling charges.' His argument is briefly this: during the three years under consideration, the excess value of exports over imports was £47'58 millions sterling. From this total must be deducted £1'45 millions, being the value of rupee paper transferred to India during the period; while we must add to it a sum of £2'14 millions, representing the value of stores, arms, munitions and animals, supplied to the Home Government in connection with their requirements in South Africa and China. This gives us a net excess of exports in three years of £48'27 millions. Now, says the Hon'ble Member, this is practically the amount of the Secretary of State's drawings during the three years. And thus the excess of the country's exports over its imports is no more than the amount of the Home charges, which means that the Home charges really represent *all* that India pays annually over and above what she has to pay in return for her imports. My Lord, I confess I was startled to read this paragraph, and I asked myself 'If the Hon'ble Member is right, what becomes of the profits which English merchants annually earn in India; what becomes of the freight the English Companies earn; what becomes of the savings of English lawyers, English doctors, English civil and military servants of the Crown? Does nothing really go out of India for all these?' And then I examined the Hon'ble Member's figures somewhat closely, when I found that he had left out of account two most important items. The excess of exports over imports that he gives is the excess of all our exports over all our imports, including merchandise and treasure and stores, both Government and private. The imports thus include (1) the capital raised

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annually in England and spent on Indian railways and irrigation works, for which there is no corresponding export, and (2) the Government stores for which provision is made in the Secretary of State's disbursements for current purposes; these stores are worth about $1\frac{1}{2}$ to 2 crores a year, and they represent a value received by India for a corresponding portion of the Home charges, and they are thus different from the rest of the Home charges. Our real imports, therefore, *i.e.*, those which we receive in exchange for our exports, are less than our nominal or total imports by the amount of the capital which is raised by the State and by Companies in England every year and spent on Indian railways and irrigation works. And, secondly, the net loss to the country under Home charges is represented not by the whole of the Secretary of State's drawings but by a sum which is equal to those drawings *minus* the value of the stores for which provision is made in his current disbursements. The amount raised in England during the three years under consideration and spent on public works in India was, I believe, about 16 millions sterling. This figure must therefore be deducted from our total imports to get at the imports which we received in exchange for our exports. We thus have during the three years an excess of 64 millions and not 48 millions of our exports over our real imports. As against this, we have to set not the whole of the Secretary of State's budgeted drawings, which have been stated to be 49 millions sterling, but these drawings *minus* the value of the stores included in them, which was over three millions. We thus see that while the Secretary of State's drawings for his own purposes would have been satisfied by an excess of about 46 millions sterling of our exports over imports, the actual excess was about 64 millions sterling or about 18 millions more in three years. I think, therefore, that we may well assume that this sum of 18 millions represents the amount which India paid more than she received during the three years under the three heads of 'imported goods, imported investment securities, and payment abroad of budgeted Government sterling charges.' Moreover, this figure does not take into account the capital imported into India by private individuals or Companies for minor industrial undertakings.

"My Lord, a most striking feature of this year's budget is the great increase that has taken place in the military expenditure of the country. The Finance Member himself is almost outspoken in the expression of his regret on the subject. The Budget Estimate for 1904-05 exceeds all previous record—the charge budgeted for coming to no less than 28·6 crores. The following figures

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show how steady and continuous has been the rise in our military expenditure during the last twenty years :—

Year.	Military expenditure in crores of rupees.
1884-85	16'96
1887-88	20'41
1890-91	20'69
1894-95	24'09
1902-03	25'91
1903-04 (Revised)	26'78
1904-05 (Budget)	28'66

or an increase of nearly 70 per cent. in twenty years as against an increase of about 44 per cent.—from 51 crores to 73 crores—in the receipts under the principal heads of revenue. The Hon'ble Sir Edmund Elles gives in his statement what he will forgive me for calling a curious table, compiled to show that whatever may be the actual figure of military expenditure it is not only not rising relatively to the total revenue of the country, but that as a matter of fact there is a notable decline in the percentage of revenues spent on the Army. The Hon'ble Member takes two periods of four years each, one from 1896-97 to 1899-1900 and the other from 1900-01 to 1903-04, and he seeks to prove that while during the former period the net military expenditure of the country was 24'7 per cent. of the total revenue, during the latter period it has been only 21 per cent. The Hon'ble Member's method of instituting comparisons is, however, open to most serious objection. His first period is a period of famines and frontier wars, so that while the revenue during that time is not at its normal level, the military expenditure is at an abnormally high level, and thus he gets a higher percentage for purposes of his comparison. The second period, on the other hand, is a period during which the revenue is above the normal owing to specially good seasons, and the military expenditure is below the normal owing to a part of the troops being engaged in South Africa and China. Now this is bad enough, but worse than this is the fact that while he takes on the one hand only net military expenditure, he takes on the other the gross revenue of the country. Now, as we all know, the figures of gross revenue are altogether useless for purposes of a fair comparison; for they include large receipts under commercial services—*i.e.*, railways, irrigation works, post and telegraph—which are balanced by corresponding entries on the expenditure side and which therefore only go to swell the total figures of gross revenue without making any real addition to the resources available for administrative purposes. Moreover, railway receipts have been of late years going up by leaps and bounds. Of course the entries under railways on

the other side have also been correspondingly increasing, but if you take into consideration only the figures of gross revenue, you get an altogether erroneous idea of the growth of the real revenue of the country. For purposes of a useful comparison, therefore, the only proper method is to take the figures either of net revenue or of the total receipts under what are known as the principal heads of revenue. Taking the latter set of figures, which are more favourable to the Hon'ble Member's point of view than the former, we find that the net military expenditure is about 36 per cent. of the revenue under the principal heads, and that this percentage has practically continued steady at that figure except during the years when the Indian exchequer secured some relief by lending a portion of the Indian troops for service in South Africa and China. The question of these percentages, however, is, comparatively speaking, of less importance than the question whether there is ever to be a limit to the growth of these military burdens. My Lord, the question of military expenditure is really one of policy, and in the shaping of that policy the people of this country have no voice. But may we not ask, as I asked in my budget speech of last year, that the Government should adopt a policy of a little more trust in this matter ! For, while things continue as they are—with our Army maintained on a war-footing in times of peace, with no national militia of any kind and the people of the country altogether shut out from the privilege of citizen soldiery—there is no prospect that the heavy sacrifices demanded at present of the country will ever grow less heavy. My Lord, His Excellency the Commander-in-Chief addressed the other day a powerful appeal to Englishmen in India to come forward and enrol themselves as volunteers from a sense of public duty. May not the Government consider the desirability of permitting—aye inviting—carefully selected classes from among the children of the soil to share in the responsibilities of national defence ? Both sentimental and financial considerations demand the adoption of a policy of this kind ; and, unless this is done, the growing military expenditure of the country will in course of time absorb all available resources and cast its blighting shadow over the whole field of Indian administration.

“ My Lord, these were some of the observations that suggested themselves to me when I read the Financial Statement which my Hon'ble friend has presented to the Council this year. I have said nothing today about some of the more important branches of civil expenditure, because we seem to be on the eve of great changes which will affect and practically reconstruct the entire basis of the civil expenditure of the country. An administration, in many respects the most strenuous, as it undoubtedly has been the most eventful, of any that the country has known for many years past, has formulated these

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changes after a prolonged inquiry, and the country is waiting to see how they work in practice when they are introduced. The advance that has been made this year in the matter of Provincial finance, the undertaking of a comprehensive programme of irrigation works that is expected as a result of the Irrigation Commission's labours, an improved Police Service, increased expenditure on education in all its branches, the institution of State scholarships for industrial education abroad, the establishment of an Agricultural College at Pusa, the encouragement of co-operative credit societies—these and other measures will require a large outlay of public money, if they are not to disappoint the expectations that have been formed of them in the public mind. It will be some time before we are in a position to watch the actual operation of these measures and to see how far the increased expenditure necessitated by them has been justified. Meanwhile my own frame of mind in regard to them is, I confess, one of great hope. I feel that, if they are carried out in the spirit in which they ought to be carried out, they will prove a source of no small benefit to the country. If this hope is realized, the increase in public expenditure, which these measures must involve, will not only not be grudged, but will be regarded with feelings of sincere satisfaction and gratitude all over the country."

His Highness THE AGHA KHAN said:—"My Lord, I congratulate Your Excellency's Government on the prosperous condition of the finances of India as exhibited by the Budget Statement for the coming year which the Hon'ble the Finance Minister presented to the Council last week. A careful study of that statement has convinced me that there has been during the past year a steady though slow improvement in the economic conditions of the country.

"My Lord, last year, at the close of the great and very weighty speech Your Lordship was pleased to deliver on the occasion of this same discussion, you drew attention to the great and momentous changes that were taking place throughout Asia—changes that were certain to affect the political and military interests of this great country, and Your Lordship was pleased to say that 'they require that our forces shall be in a state of high efficiency, our defences secure and our schemes of policy carefully worked out and defined. Above all they demand a feeling of solidarity and common interest among those (and they include every inhabitant of this country from the Raja to the raiyat) whose interests are wrapped up in the preservation of the Indian Empire both for the sake of India itself and for the wider welfare of mankind'. The prophecy has come true sooner than most of Your Lordship's hearers last year expected. We

now live in stirring times and hear the din and clash of arms in North-Eastern Asia. A Power that has been looming larger and larger on this Continent and has made the boundaries of her possessions almost contiguous on the North-west to the boundaries of India or of countries in which the people of India are vitally interested has now become a permanent menace to this country. History teaches us that the Muscovite when prevented from expansion on one side of his frontier naturally turns to another where he fancies the forces of resistance to be in less capable hands (witness expansion in Central Asia after the failure of Russian designs in the Balkans in 1878) ; so, the fact that the Power that threatens the peace of this country seems to be failing in expanding in the Far East is the very reason why we should not feel more secure or less anxious about our defensive forces. We hear from all sources that troops are being massed in Central Asia. Misunderstanding the pacific disposition of the British Government and the perhaps too frequent occasions on which that Government gave way to her pretensions, Russia thought the time had come to use menaces when cajolery had failed. I refer to the communications which passed between the Russian Ambassador and Lord Lansdowne (which were recently published) regarding Thibet. They indicate that we must be constantly on the alert and be ever ready to defend ourselves if we wish to secure to this country the blessings of peace. It is, in fact, a necessary condition of our immunity from foreign invasion that our military power and organisation should always be in a state of high efficiency so as to remove from our neighbour the temptation of interfering with us. At such a juncture it seems to me necessary to consider whether the burdens which this state of constant preparedness and high efficiency entails on the Government of India are borne fairly and equitably by all those who are benefited thereby and whose possessions thereby are safeguarded against foreign intrusion. In order to ascertain this I venture to give a few figures. Roughly speaking, two-thirds of India proper is under the direct control of the Government of India and one-third of it is under the Government of the Feudatory States. At the same time, according to the Census of 1901, the population of the Native States was one-fourth of the entire population of India. The military expenditure of the Government of India has risen (and I for one do not grudge a penny of it) to £18,250,000. So for purposes of Imperial defence and in order to protect from invasion this country, one-third the area and one-fourth the population of which belongs to the Native States, the Government have no option but to spend quite 25 per cent. of the entire revenues of British India. Now let us consider whether and to what extent these States contribute towards this Imperial defence. Their aggregate revenues amount to well over £15,500,000 a year. Now, if the burden of Imperial

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defence were borne by the Imperial and the Feudatory Governments equitably, that is, proportionately to their revenues, the annual contribution by these Native States ought to be considerably over £3,500,000 a year. Now what do they contribute. In 1888 many Chiefs offered assistance in the defence of the North-West Frontier by placing large sums of money at the disposal of the Supreme Government. The offers of money were declined. But being renewed in another form, *viz.*, as offers of troops for Imperial service, such renewed offers were at once willingly accepted by Government. A scheme (which, my Lord, was then really in the nature of an experiment) was organised by which it was expected that the States would be able to render efficient aid to the Supreme Government in times of emergency by providing Imperial Service Troops capable of taking their place in line with the regiments of the Imperial Army. When the scheme was started it was believed that quite 25,000 would be supplied, and unless I am greatly mistaken some such number was promised. But there was one flaw in the scheme. From a delicacy of feeling (a delicacy of feeling that was then justified since the scheme was an experiment only) Government left it entirely to the Chiefs to provide or not provide Imperial Service Troops and thereafter to maintain the same number or more or less according as their patriotism dictated. The result of this voluntary system has been what was to be expected. Some have (as the figures laid on the table of this Council by Sir Edmond Elles prove) actually reduced their troops, and the total number of effective troops is now under 15,000. The generous enthusiasm which has hitherto animated many of the patriotic and far-sighted Chiefs and induced them honourably to carry out (and in some cases like that of that great wise and patriotic Prince His Highness Maharaja Scindhia more than carry out) their original promises to the Supreme Government may unfortunately not be shared by their successors. Moreover, while some of the Chiefs like His Highness the Maharaja Scindhia and the patriotic rulers of the Rajputana and the Punjab States and of the States of Bhownagar, Jamnagar and Junagad in Kathiawar maintain a considerable number of Imperial Service Troops, there are others (by no means unimportant or petty rulers) who do not maintain even one Imperial Service trooper. They thus altogether escape the burden of bearing their fair share of Imperial defence.

“But, my Lord, my argument for organising a system by which each State should set aside a settled proportion of its revenues for maintaining Imperial Service Troops is not based on a mean desire to make the subjects of the Native States contribute towards Imperial defence in order to save the British Indian

taxpayers from paying more in the future. It is as much in the interests of the Rulers of the Native States that they and their armies should take an active, important and honourable part in the great work of Imperial defence as it is in the interests of the Supreme Government. Companionship in arms will more than anything bring about that feeling of solidarity, of unity and of devoted loyalty to the Emperor that is the aim and object of every one of the Protected Princes of India. Such a system would add enormously to the importance and the responsibilities of the Feudatory Chiefs. It would open honourable and suitable careers (as officers) for the hereditary Sirdars, Thakores and Nobles of each and every State. My Lord, if properly carried out this scheme need not add anything serious to the financial burdens of the Native States, nor reduce the amounts now devoted by Rulers of such States towards useful civil improvements. The Chiefs have always maintained and still maintain a large army of their own, amounting to nearly 100,000 men, which is, I am sure, always at the service of Government for purposes of Imperial defence. I have, however, no hesitation in saying that for these purposes such heterogeneous bodies of 'mere men with muskets' would be quite useless. These men differently or rather indifferently armed, drilled and equipped would be absolutely incapable of fighting against the trained forces of a European foe. The maintenance of such bodies of men, which can only by courtesy be called armies, is an utter frittering away of the resources of the country and dissipation of its means of defence. I would therefore respectfully suggest that Government should propose to the Chiefs, that they should in a given number of years disband these men, who are useless for all purposes except for empty show, and that every Chief should contribute a definite percentage of his revenues towards Imperial defence. I am sure there is not one Chief so wanting in patriotism as to object to such a fair proposal. On the contrary, I am certain that the loyal and patriotic Princes who assembled last year at Delhi would be only too eager to adopt such a proposal. The whole scheme of Imperial Service troops was originally an experiment. If the experiment has been successful, why should it not be extended? The so-called armies of the Chiefs would be replaced by men who would add to the glory of their rulers and who would be worthy of fighting by the side of the flower of the British army. The States which now spend large sums on useless bodies of men dignified by the name of armies will get a genuine Army of which they may well be proud without any serious addition to the expenditure side of their Annual Budgets. If these reorganised troops are to be of any use and able to take their place in line with the regiments of the Imperial Army, they must be under the immediate and direct control of the Commander-in-Chief. There would be nothing in this arrangement in any way injurious to the right of the several Ruling

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Chiefs. Even the Sovereigns of the various German States, who are the equal allies of the Kings of Prussia and in no way subjected to their Emperor, when they joined the Imperial Confederation in 1871 placed their troops under the Imperial Commander-in-Chief. In fact, unless these reorganised troops were under the direct command of the Commander-in-Chief during peace, it would be impossible to place any reliance on their efficiency, and the Commander-in-Chief could never depend on their being as good as the troops that were trained under his direct control and supervision. The Commander-in-Chief would appoint inspecting officers to such reorganised troops, while the Ruling Chiefs would retain command of their own corps, who would, of course, carry the colours and the emblems of each princely house, and if the tastes of the Prince made him turn to an active study of military subjects then of course such a Prince would naturally be not only the *de jure* but the *de facto* Commander of his own troops, receiving only his *military* orders from the Commander-in-Chief. My Lord, this scheme may appear of little value since no ruler has suggested it. But I think it is but my duty to explain that these suggestions are not my own original ideas but that I have borrowed them more or less from various Princes who attended the Delhi Durbar last year and the Coronation Ceremony in 1902. I have no right or authority to use their names. But so much I think I have a right to ask every one here to assume, that there is no Prince so wanting in patriotism and loyalty as to reject these suggestions without giving the matter careful and sympathetic consideration. My Lord, the suggestions I have just ventured to make are both rough and crude, but it is for the Ruling Chiefs and the Government of India to evolve some permanent system by which the Feudatory States may enjoy the privilege of sharing with the Government of India the power of adequately defending this great country. My Lord, there has been recently a tendency to maintain transports only. I fear it is not quite in keeping with the dignity of a powerful State that entertains hundreds of useless but costly soldiers of its own to refuse to keep any active Imperial Service Troops on the ground of expense and offers to maintain transports only. Transports are undoubtedly essential, but from the point of view of those who wish to see the bonds of common interest between the Imperial and Feudatory States tightened it is a backward step when lancers and infantry are changed into transports. Of course let it be clearly understood that I suggest that the present useless armies should be converted into one corps of efficient Imperial Service Troops in every State and not that the present men should be kept on as well as additions made to the Imperial Service Troops. The rich zamindars who enjoy impartible estates and thus are specially cared for by the State may well be invited to maintain a certain amount of transports. Carts and ponies will, no doubt, entail a certain initial expense, but afterwards

such transports during peace time will cost practically very little or nothing, since they will easily earn enough to pay for the expenses of maintenance.

"My Lord, I feel it but my duty to thank Your Excellency for establishing the Imperial Cadet Corps of Native Princes and Nobles. This excellent institution was a desideratum, and among the many and great benefits which Your Excellency's Viceroyalty has already conferred upon this country, I would look upon it as one of the greatest. If Your Excellency will permit me to say so, it was a brilliant idea conceived in a happy moment and carried out to the great gratification of the Native Princes and Nobles. Their rank, traditional prestige and natural tastes debar them from every but a military career, and that Your Excellency has, by embodying the corps, opened the possibility of a military career to them proves your deep personal interest in their welfare. They yield to none in loyalty and attachment to their beloved Emperor and country, and such an institution, the credit of initiating which justly belongs to Your Excellency, affords them a unique opportunity of serving both. At no inconsiderable expense to themselves, many have come forward and volunteered for such service. But permit me to say that at present there is no certainty as to the future of the cadets. May I venture at this stage to ask whether the time has not yet come when a few commissions in the Indian Army may not be annually given, say, to three or four of the most successful of the Imperial cadets, who one day may be the pride of their country and achieve that glory which their forefathers had attained in bye-gone days. Is it too much to ask that three or four of the cadets, who might pass all the necessary tests and in whose character and integrity the commandant of the corps might repose absolute confidence, be nominated by the Viceroy, with the sanction of the Emperor, to commissions in the Indian Army? My Lord, while the Government of India trusts any young Indian, whatever his antecedents, whatever his character, who happens to get a certain number of marks at a competitive examination, to administer districts that often equal in size and population European Principalities, while the Government of India trusts tens of thousands of every class and of every community to wear as sepoys the honored uniform of the Indian Army, is the Government yet unable to see its way to trust even one of the Emperor's Indian subjects with the honour of being a regular commissioned officer? But I am sure that mistrust or want of confidence is not the cause of this singular omission. I rather put it down to the innate conservatism of the British race that is satisfied to leave things alone until it becomes such a grave scandal that its removal becomes an imperative duty. The same spirit of conservatism left our University reforms though badly needed in the background until Your Excellency's

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Government with characteristic benevolent energy and courage of conviction carried the measure of much-needed reform by the great Act which passed into law only the other day. My Lord, there are some objections to this scheme which I have often heard and which I will venture to try and dispose of. In the first place it is asserted in some quarters that there is no young man in India whose educational and moral training fits him for being an officer. This may have been true in the past. But since the formation of the Imperial Cadet Corps we have a right to expect that a few of the cadets after three or four years' training under the direct supervision and constant care of commanding officers may be deemed worthy and capable of receiving a commission. Even if after three or four years' training under such favourable conditions as prevail in the Imperial Cadet Corps, if there is not yet one noble youth worthy of being an officer, then, my Lord, there must be something so radically wrong and incredibly defective in the moral or intellectual fibre of the Chiefs and nobles of this country that the sooner Chiefs' Colleges and Cadets Corps are abolished the better for all. Another objection raised is that these cadet officers would crowd the Indian Army and thus change its character! If it was suggested that a competitive examination should be held and such as passed the test should be one and all enrolled as officers of the Indian Army, then I admit it might change the character of the army and none would be more strongly opposed to it than myself. Even if it was suggested that ten officers should be appointed every year, I should still oppose it. But, my Lord, the appointment of three or four a year could never change the character of the army. At the end of twenty years, even if there was no natural wastage, their number would be eighty in the whole of India. But we all know that when we take wastage into consideration, we should find not eighty but probably fifty in twenty years. Now, my Lord, I do hope this will not be called a wild, visionary or immoderate scheme. A third argument against the scheme that has come to my ears is the difficulty about messing. However, a large section of His Majesty's subjects have no caste rules whatever, nor have they any religious prejudices about dining with Europeans. I refer, of course, to the Muhammdans. We also know that a large and very rapidly growing number of Mahratta, Rajput and Sikh princes do openly dine with Europeans, Jews and Muhammadans. I think there would be no difficulty under this head. Another objection is that these cadets would be as Commanders superior to European officers. However, no one is insane enough to propose that cadets should be directly given commands of battalions and squadrons or be specially promoted. It would take a score of years at least before any of them got command of his regiment, and I am sure that after twenty years' comradeship in a regiment where he would have already won the respect and friendship of his

European brother officers, they would willingly serve under an ex-cadet. One other objection is that the European officers would not welcome Indian brother officers. I am sure it is only those who do not know the British officer that can accuse him of such blind racial prejudice. The officers of the British and Indian Army are the pick and the flower of the manhood of England. They are the cream of society. Gentle, just and noble alike by birth, tradition and temperament, they judge men not by their race and colour or creed, but by their intrinsic merits. If the cadets were well selected—and it is absolutely essential to the success of the scheme that every scrutiny and care should be taken that none except those of high moral and intellectual calibre should be selected—then, I for one am quite sure that ex-cadet officers would very soon be as popular as any European officer in their regiments, provided, of course, they behaved themselves properly and acted up to a high and model standard of duty. There is no doubt that in due time some of them would prove to be ideal officers. I have tried to meet all the objections that I have ever heard and I have asked only for a moderate and reasonable concession, a concession which, I hope, will, if made, prove to be a boon which will be gratefully accepted and acknowledged. I do hope that there is no one here who considers this suggestion of mine as wild, visionary or impracticable. My Lord, you have won the everlasting gratitude of the people of this country by your generous endeavours for the improvement of the Indian educational system in all its branches, the advancement of the agricultural classes, their relief from perpetual and harassing indebtedness, and your noble desire for the restoration of ancient monuments, which both Hindus and Muhammadans prize so highly, and also by taking up the question of much needed police reform, railway and irrigation improvements and many other reforms in the administration of this country too numerous to mention. Now that Your Excellency has removed so many abuses, conferred such numerous boons upon the people, will not Your Excellency settle this difficult question in the interests of the cadets, who owe their existence to Your Lordship's foresight. My Lord, I am appealing to one who has not only been a great ruler but who has proved himself an exalted but none the less devoted and true friend and patron of the princes, chiefs and nobles of India.

“ My Lord, the Members who are not recommended for nomination to this Council by public bodies are at a certain disadvantage here, for their words are naturally supposed to come from them alone, and rarely carry the same moral weight with the Government as do the suggestions of their more fortunate Colleagues—the recommended Members. All the same, I think I am right in saying

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that when I earnestly appeal that three or four Cadets—and I appeal only for three or four—should be selected after a most careful and rigid scrutiny by the Viceroy for commissions in the Indian Army, I have behind me the sympathy and approval of every prince, chief and noble in India. My Lord, there seems to be no reason why such cadets as may qualify themselves by capacity, zeal and industry and also win the respect and affection of the Commandant of the Corps, should not be rewarded with commissions in the Indian Army. If such a prospect is ever held out to them, as the reward of an exemplary moral character and of diligent study, I am sure that the scions of the best and noblest of all the families in India would flock to the Cadet Corps and Government would prove and convince the people of this country that their Emperor has full faith in their unflinching loyalty to him and treats all his subjects alike. The remaining less successful cadets could be appointed as officers of the Imperial Service Troops. Regarding the question of Imperial Service Troops and of affording to all the Native States an opportunity of contributing towards their maintenance, I feel confident that such an opportunity will be eagerly embraced by those States. It will enable them to prove that the Chiefs are worthy of being Your Excellency's colleagues in the government of this country as Your Lordship so felicitously described them. It will show to those outside our frontiers whom it may concern that India no longer consists of segregated units with different aims and inconsistent aspirations. It will weld together and consolidate those units into a homogeneous and harmonious whole and foster and realize the ideal of a united country in the minds of these princes. They will have the proud satisfaction of knowing that, come what may, they and their troops will stand shoulder to shoulder with the armies of their Emperor and present a bold and united front to the enemies of their country, and that they have at their back the world-wide Empire based on liberty, justice and righteousness of which both the Raja and the raiyat may well thank heaven that they form a part."

His Highness THE RAJA OF SIRMUR said :—"My Lord, I have had the honour of going through the Financial Statement for the year 1904-05, and have the pleasure to observe that it has been most carefully prepared and aims at increasing the general prosperity of the Indian Empire.

"I heartily thank Your Excellency for many useful measures of administrative reform which have been introduced, and which tend to secure lasting good for India.

"I appreciate very much the usefulness of the Imperial Cadet Corps which has supplied the long-felt want of military training, by which I have every

[*The Raja of Sirmur ; Mr. Cruickshank.*] [30TH MARCH, 1904.]

reason to hope the Indian chiefs and nobility in general, will profit much. I fully agree with my Hon'ble Colleague His Highness Agha Khan in his observations on the corps.

"I beg, however, to suggest that by way of due appreciation of loyalty three or four cadets completing with credit their course of training every year may be granted British rank in the Indian Army, which encouragement on the part of the Government will be received with gratitude and be thoroughly appreciated by all the Princes and Chiefs and will also make the corps highly popular.

"Finally, I offer my heartfelt thanks to Your Excellency for your whole-hearted devotion to the welfare of the Indian Princes and the people in general."

The Hon'ble MR. CRUICKSHANK said:—"My Lord, on behalf of the United Provinces, it is my pleasing duty to tender the congratulations of the Local Government and the inhabitants of those Provinces on the satisfactory nature of the Statement of Revenue and Expenditure presented by the Hon'ble the Financial Member of Council, and also on the general financial prosperity of the Indian Empire which has allowed the construction of so promising a budget for 1904-05.

"The year 1903-04 began prosperously with a surplus from 1902-03 of £3,069,549, a sum £331,049 in excess of the surplus noted in the Revised Estimates for 1902-03.

"The Receipts under various heads in the Revised Estimate for 1903-04, for the most part, convincingly support the arguments marshalled so clearly in this Council in 1903 as justifying the reduction in the salt-tax and the raising of the limit of exemption from income-tax to the extent carried out in 1903-04.

"I do not propose to offer any detailed criticism of the Budget for 1904-05, as full explanation where necessary of items of receipt and expenditure has been supplied to the Council and discussed at considerable length by Hon'ble Members.

"In common, however, with all who have at heart the security and best interest of the Empire, the United Provinces rejoice to find that provision has been made for the expenditure necessary to substantially augment the efficiency of the military service of India. The supply of guns and rifles of the most recent and improved type is an essential step towards securing that efficiency.

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“The pages of recent history are lurid with the lesson that immense loss of material, decrease of prestige, and wasteful sacrifice of priceless brave lives must accrue to nations unprepared to speak with their enemy in the gate.

“To India, as to all countries, assured protection from external foes is a necessary preliminary to the fruitful consideration of schemes for improving civil administration, and the items of increased military expenditure in the Budget are unassailably expedient.

“Turning to Provincial matters, the United Provinces among others welcome the approach to finality in the Financial Contracts between the Imperial Government and Provincial Administrations. The term finality is of course only applicable with the reservation that the terms of such contracts must perforce be open to revision by the Government of India in the event of unexpected financial stress.

“In considering the terms and amounts involved in such complicated transactions as the allotment of funds sufficient to carry on the administration of several Provinces, it is obvious that the point of view from which the Government of India, distributing resources among many clamorous Local Governments, regards each item must differ from the standpoint of each recipient of aid.

“That a *modus vivendi* has been reached between the Government of India and that of the United Provinces—which is, as far as it goes, satisfactory to both—testifies to the businesslike energy, circumspection and liberality with which the preliminaries have been discussed, terms defined and needed aid granted. For years in this Council the plea has been urged on behalf of the Government of the United Provinces that no sum less than 4 crores of rupees would suffice for the expenditure necessary to guarantee the efficient administration of these Provinces. That this plea was not an excessive demand has been practically admitted, as the following explanation may demonstrate. This demand of 4 crores has hitherto been based on the supposition that the proportion of total expenditure under various heads which would be defrayed from Provincial Funds would remain unaltered.

“In the new contract the system of apportioning the relative shares of Receipt and Expenditure between Imperial and Provincial Heads of Account has been thoroughly revised on the following basis for the United Provinces:—

- (a) that when any head of Revenue is divided between ‘Imperial’ and ‘Provincial’ in any proportion, the corresponding head of expenditure shall be divided in the same proportion ;

(b) that when the proportion between the aggregate Imperial Expenditure and the aggregate Provincial Expenditure has been determined, the whole Revenue shall be divided between Imperial and Provincial in the same proportion ;

(c) that in no case shall a smaller share than one-fourth of any divided head of Revenue be made Provincial.

“The figures accepted by the Government of India in the second edition of the Budget of the United Provinces give for Receipts—

	Rs.
Provincial share of Heads of Revenue (including half of Stamp income instead of one-fourth as heretofore).	3,65,69,000
Add—Fixed Assignment	4,00,000
Total	<u>3,69,69,000</u>

“In Provincial Expenditure the following decrease in shares of expenditure debitable to the United Provinces has been allowed by the Government of India :—

Land Revenue	$\frac{1}{4}$ instead of the Total Expenditure.
Stamp, Stamp Refunds and Land Revenue Refunds. }	$\frac{1}{4}$ instead of $\frac{3}{4}$
Forest, Registration	$\frac{1}{4}$ instead of $\frac{1}{2}$

making an aggregate decrease of Rs. 28,20,000.

“Thus, if the shares of expenditure had not been decreased, but had remained in the old proportions, the United Provinces would have had provided an aggregate spending power of Rs. 3,97,89,000. This sum is Rs. 13,33,000 in excess of the Provincial Revenue (including recurring special grants) budgeted for in the current year 1903-04, *viz.*, Rs. 3,84,56,000. In that year, however, an amount of expenditure totalling Rs. 15,67,000 was provided by diminishing the Provincial Balance to that extent.

“Thus calculated the total Provincial Expenditure approximates to 4 crores of rupees, the often postulated minimum for efficient administration. Out of this amount, however large, additional expenditure on the relief of Municipalities from Police charges has to be met ; and the Local Government is also under an engagement to provide annually for Local Finance the sum of $1\frac{1}{2}$ lakhs of

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rupees, when effect is given to the new scheme at present under the consideration of the Government of India. It is true that under the new contractual arrangements, the whole benefit of any increase in the receipts from Irrigation will accrue to the United Provinces. This probable increase is, however, partly counterbalanced by a diminished share of future increment being allowed to Provincial Finance in the Heads of Stamps, Income-tax and Forests, and also by the smaller enhancement of Land-revenue which may be anticipated from revisions of settlements in the near future.

"On the whole the result is considered by the Government of the United Provinces as a substantial advance on the terms of the existing arrangements. A lump sum of Rs. 30,00,000 is being granted by the Government of India to the Provincial Government with which to start the new settlement. Of this an instalment of Rs. 6,00,000 will be entered in the Budget of 1904-05 and will be available for urgently needed expenditure on Civil Works and other projected improvements.

"The special thanks of the Local Government are due to the Government of India for allowing the inclusion in the terms sanctioned of a sum of Rs. 2,50,000 *per annum* with which to relieve Municipalities from half their Police charges. A further sum of Rs. 1,00,000 *per annum* has been budgeted for under this head to allow the larger Municipalities, in which water-works are maintained, to be entirely relieved of the burden of Police charges.

"The Government of India has also made a special grant of Rs. 3,00,000 to enable the Municipality of Lucknow to carry out its drainage scheme, and the Local Government and the inhabitants of this large and formerly royal city are deeply grateful for the unstinted aid given by the Government of India in this matter so important to the health of the city—indeed of the Province. It is matter for regret that, despite unceasing precautions, the mortality from plague has in portions of the United Provinces been higher than in 1902-03. It is also true that the crops in the year now expiring have not been up to the anticipated standard. Otherwise the Provincial outlook is on the whole hopeful.

"It is anticipated that during the coming year a substantial measure of progress will be achieved in the matter of rehabilitating the Bundelkhand proprietors, whose situation had, owing to the devastation of years of scarcity and famine and from other causes, sunk to so pitiable a state as to render imperative special legislation directed to the end of preserving the landed interest of this class.

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in Northern India had been fixed in the last years of the Company's rule at one-half of the actual rental, leaving aside some very insignificant rates then in vogue. Lord Mayo's famous decentralization scheme of 1870 violated the half rental rule and was based on the imposition of fresh cesses on land in addition to the land-revenue. My Lord, we in the Provinces of Agra and Oudh now pay cesses, not only for village-watch but also for roads, for schools and dispensaries, for post office, for patwaris and for famine insurance, and these cesses have been imposed on land in addition to the land-revenue. The allotments made to the different Provinces of India out of the revenues under Lord Mayo's decentralization scheme were less than the estimated Provincial expenditure, and Provincial Governments were openly told to make up the difference by imposition of new cesses on land in addition to the land-revenue. This will appear from the official correspondence of the day and also from the evidence given before Select Committees of the House of Commons on Indian finance which sat in the years 1871, 1872, 1873 and 1874. My Lord, the entire question came up for the consideration of the late Marquis of Salisbury, who was Secretary of State for India in 1875. And that distinguished and large-minded statesman recorded his views on the subject in words which are as true today as they were thirty years ago.

'So far as it is possible to change the Indian fiscal system,' he said, 'it is desirable that the cultivator should pay a smaller proportion of the whole national charge. It is not in itself a thrifty policy to draw the mass of the revenue from the rural districts, where capital is scarce, sparing the towns where it is often redundant and runs to waste and luxury. The injury is exaggerated in the case of India, where so much of the revenue is exported without a direct equivalent.'

"This sound observation was recorded in 1875, but remained unheeded. The agricultural classes of India are voiceless; the landlords have lifted their voices in vain; and every additional cess imposed on land since 1871 has remained unrepealed. My Lord, the financial history of the last thirty years of the nineteenth century can be told in a few words. In years of deficit fresh taxation has been imposed on land and agriculture in addition to the land-revenue. In years of prosperous Budgets these new cesses were not repealed—the surplus was spent in additional military and other expenditure. It is a melancholy history for the agricultural population of India.

"A fresh increase, in an indirect way, of taxation on land began from 1893, from the gradual raising of the value of the rupee. Rents and the land-revenue in India are not paid in kind but in Rupees; and the artificial raising of the value of the rupee resulted in a raising of the tax on the produce of the

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land. This will clearly appear from a table which appears at the end of the Report of the Indian Currency Committee which sat in London under the Presidency of the Right Hon'ble Sir Henry Fowler. Comparing the prices of produce during the two years before the rise of the rupee with those of the two years immediately succeeding, the witness who furnished the table showed that there was a general fall in prices in the staple produce of every province and every division in India. This was not owing to abundant harvests, for the years taken were years of scarcity and poor harvests; but the prices in rupees had fallen because the rupee had been artificially raised in value. In other words, the agriculturists of India had to pay the same rents as before in rupees, while they obtained less from their fields, and this was an indirect but effective increase in taxation all round. I admit that the same increase took place in other sources of revenue from the same cause; but no class of taxpayers felt this more severely than the agriculturists of India.

"My Lord, the question finally came up for Your Lordship's consideration in 1902 and Your Excellency gave us some hopes that some of the cesses imposed on land in addition to the land-revenue, would be repealed, in course of time, by the Government of India. In paragraph 25 of Your Excellency's Resolution on the Indian land-revenue Policy, dated January 16th, 1902, Your Excellency, while denying that the local cesses were either onerous or excessive, nevertheless was pleased to remark that 'the question presents itself whether it is not better, as opportunities occur, to mitigate imposts which are made to press upon the cultivating classes more severely than the law intended. The Government of India would be glad to see their way to offer such relief.' Two years have elapsed since this was recorded, two years of surpluses and prosperous Budgets, but the relief which we have all looked forward to has not come.

"My Lord, Your Excellency's administration in India will shortly come to a temporary close. Your Excellency's fiscal administration has been marked by an act of real relief to the poorer classes of income-tax payers which we all appreciate. It has also been marked by a reduction of the salt-tax which has given some relief to all classes of people in India. It would have been a source of joy to the country at large if some special relief had also been given to the agricultural classes in India in respect of the numerous, irritating and burdensome cesses which have been imposed on them since 1871 in addition to the land-revenue. It would have rejoiced my countrymen if in the changes which have been introduced in the present Budget in the decentralisation scheme, a somewhat larger allotment had been made to each Province, enabling

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it to withdraw totally or partially some of the land-cesses which sit so heavily on Indian agriculture, and it would have been gratefully remembered by my countrymen that among the many changes which have been introduced under Your Excellency's rule, the most important was one which afforded relief and comfort and joy to the voiceless millions of India in their remote villages and rustic homes. The Indian cultivator would have remembered that Your Excellency at last withdrew some of the heavy burdens which were imposed on their fathers after the Mutiny Wars, and the loyal landed classes of India would have felt that some endeavour was made after the lapse of half a century to come back to the salutary rule prescribed by Lord Dalhousie in 1855 to limit the Government demand to one-half the rental, and I may add that all classes of people in India would have felt that landed and agricultural interests received the same watchful and humane care and attention which trading and commercial interests are able to secure for themselves.

"My Lord, my countrymen still entertain the hope that the relief so long sought for will not be long in coming. When Your Excellency returns to India after your temporary absence, we sincerely hope that one of Your Excellency's first acts will be to give to Indian agriculture that relief which it needs and which it is entitled to in years of prosperous Budgets. In any case we hope that this grave matter affecting the interests of virtually the entire Indian population will not be lost sight of. Years of prosperous Budgets in India are succeeded by years of deficit. It will be lamentable if the present surpluses are all spent in increased military and other expenditure, without affording some substantial relief to the agricultural classes and without permitting some reduction in those burdens on the cultivators which have been deplored by all Indian statesmen from the late Marquis of Salisbury down to Your Excellency.

"My Lord, before I conclude my remarks on this particular subject, I must say that I agree entirely with my friend the Hon'ble Mr. Bose in the observations made by him in reply to those of my friend the Hon'ble Dr. Mukhopadhyaya as regards the propriety of the income-tax. It is in the shape of this tax alone that certain classes of the community make any contribution to the public expenditure; and when such onerous taxes as the land-cesses—taxes paid by the classes who suffer most seriously from famine—remain unrepealed, I do not consider that the income-tax is a tax against the continuance of which any serious complaint can be made.

"Military Expenditure."

"Coming now to some other essential features of the Budget Statement, we find that notwithstanding the actual surplus of this year and that estimated for

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the coming year, the Government is going to increase the permanent debt of the country by the addition of $4\frac{1}{2}$ millions sterling. A large portion of these surpluses, it appears, has been and will be absorbed by an increase of expenses under the head of Army Services. My Lord, the non-official members of Your Excellency's Council have over and over again raised their voice against the inordinate increase of the military expenditure. We hoped that under Your Excellency's regime not only an effectual check would have been placed on the increase under this head but that it would have been reduced to an appreciable extent. We were led to cherish this hope from the action taken by Your Excellency's Government in protesting strongly, though without success, against the increase in the pay of British soldiers stationed in this country and in opposing successfully the saddling of India with a portion of the cost of the South African Garrison—for which the whole country felt grateful to Your Excellency. It is therefore a great disappointment to us that, instead of the military expenditure being reduced, it has been increased in a considerable measure. In 1900-01 it amounted to £14,265,525; for the coming year, *i.e.*, 1904-05, the amount is estimated to reach £18,215,000—an increase of £3,949,475, which in Indian currency in round numbers comes to a trifle less than six crores of rupees; and this in the short space of four years. The sum of £700,000 has been provided in the coming year's Budget for the re-armament of the artillery, the Home authorities having decided that 'India must be allowed priority of supply in the matter of new armament.' In a memorandum submitted on behalf of the India Office to the Indian Expenditure Commission it was urged that India is being utilized as a reserve for England, because not only the services of the British regiments stationed in India are utilized by England but even those of native regiments, towards the cost of which she makes no contribution. As if that was not quite enough, India is now going to have the very costly but unsolicited honour of having the priority of supply of new armaments. The proper course, in my own humble opinion, would have been to give the honour to the ruling country and not to its dependency for the purpose of an experiment of the efficiency or otherwise of the new armament.

"As regards the Tibet expedition, it has already cost Rs. 45 lakhs in the year which is about to close, and in the coming year a further sum of 36 lakhs of rupees has been set apart for it. This being a *quasi*-military expedition beyond the Indian frontiers, its cost ought to be borne by the British and not by the Indian Exchequer.

"The abnormally high and rapid increase in Army expenditure cannot but be deplored. The continuing growth of this already too heavy burden

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absorbs the surpluses and stands in the way of Government's taking steps to give relief to the agriculturists by a reduction in taxation and spending adequate and larger sums on measures calculated to improve the economic condition of the country.

" Railways.

" My Lord, it is stated that the larger portion of the loan of $4\frac{1}{2}$ millions will be devoted to railway construction, and the sum of £833,300 will be spent on Irrigation Works. My Lord, I do not mean to say that the extension of the facilities of communication by construction of railway lines is not a desirable thing. But it is the manner in which the capital is provided for the construction of the railways that I take exception to. Mr. Robertson, the Special Commissioner, specially sent out to India to enquire into Indian railways, admits that 'so far, as railways per square mile of territory are concerned, India is rather better served than most countries outside Europe.' My Lord, now that all the main lines have been completed, the construction of new lines should be left to private enterprise, and they should not be constructed from borrowed capital, as borrowing adds to the permanent burden of the country which ultimately results in the imposition of fresh taxes.

" Irrigation Works.

" My Lord, as regards the other object for which this debt is going to be contracted, *viz.*, the construction of irrigation works, no one can question their utility as protective against famine. The Government in this respect has not been as active as the exigencies of the case required; the construction of irrigation works has hitherto been considered of secondary importance to the construction of railways. The extension of railway communication places better facilities for trade in the hands of influential merchants whose voice is so effectually heard by the authorities both at Home and in India; the construction and extension of works of irrigation affects mainly the poor agriculturist who has practically got no voice to bring his necessities to the notice of the Government. My Lord, the management of the Famine Insurance Fund with greater care and foresight ought to have placed sufficient means at the disposal of Government for the construction of irrigation works, and no recourse ought to have been made to fresh loans for this purpose.

" Provincial Contracts.

" My Lord, I shall now with Your Lordship's permission offer a few brief remarks on some of the matters which have immediate concern with my own Provinces. Your Excellency's Government has now revised the Provincial Contracts, and the Hon'ble the Finance Minister has announced that in order

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to ensure the continuity of the Provincial Finance and give to it a relative permanence, quinquennial revisions will in future be discontinued. As regards the United Provinces, a considerable advance on the last contract has been made by placing a larger amount for local expenditure at the disposal of the Local Government. But I should be pardoned for saying that the allotment is still insufficient. It will barely suffice for the provincial expenditure according to the present scale, but will leave no margin for meeting the rapidly growing wants, both economic and administrative, of those Provinces.

“ Municipalities.

“ A special grant of $2\frac{1}{2}$ lakhs of rupees per annum has been made to enable the Local Government to relieve the Municipalities of the United Provinces of their police-charges, those having water-works being fully relieved, and the others to the extent of half those charges. My Lord, the relief thus afforded to the Municipalities will enable them to provide more adequately for the ever-increasing expenditure on sanitation and also to devote larger sums towards the advancement of education than they have been hitherto able to do. The sum of three lakhs of rupees entered in the current year's Budget will be spent in the next year in furtherance of the drainage scheme of the Lucknow Municipality, which is estimated to cost eight lakhs of rupees. For these grants the people of the United Provinces are grateful to Your Excellency's Government.

“ District Boards.

“ In the course of the Budget Debates of the two preceding years, I drew the attention of the Government to the unsatisfactory condition of the District Boards in the United Provinces, and to their inability to secure that position in the local self-government system of the country which they ought to occupy. This is partly due to the shortcomings in the provisions of the present law which was passed more than twenty years ago, and partly to the defects in the system of their finances in which centralization, and anomalous resumptons at the end of the year of the unspent portion of their annual allotments, play a very important part. Some time has now passed since a draft Bill was submitted to the Government of India for sanction to be introduced into the Local Council, but up to the present time that Bill has not seen the light, and consequently the work of this much-needed reform is at a standstill. I find, however, that in the present Budget a sum of $1\frac{1}{2}$ lakhs is allotted to the Local Government to reform the system of the District Board finance. It is hoped that legislation

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enabling the Local Government to carry out the necessary reforms in this direction will soon be taken in hand.

"Irrigation works.

"My Lord, another subject relating to my Provinces is the carrying out of irrigation projects recommended by the Indian Irrigation Commission. Allotments have been made in the Budget for the extension of some of the canals in operation, but it does not appear that any sums have been provided for construction of any of the new canals recommended by the said Commission. One of their recommendations is the construction of a canal passing through some of the districts in Oudh. The talukdars and other landed proprietors in that Province do not consider the project to be of any practical utility, and in their opinion the benefits to be derived from it would be counterbalanced by water-logging and deterioration of the soil of the tracts through which it is suggested that the canal should pass. The construction of wells in sufficient numbers and distributed throughout the areas of those districts will act as a better preventive against famine than the projected canal. The subject, however, is, I am informed, under the consideration of the Local Government, and we must wait for their decision. But there is one part of the United Provinces which of all others is most affected by vicissitudes of rainfall and requires the immediate construction of protective works for prevention of famines. It is Bundelkhand, which has been visited by no less than five famines within the last sixty years. In the last famine alone the Government expenditure, including remissions of revenue and of advances, amounted to over a crore of rupees, of which one district alone, *viz.*, Banda, had one-half of that sum and at one time had more than 42 per cent. of its population receiving relief. The Irrigation Commission recommends the construction of the Ken canal which will irrigate the District of Banda. The project is estimated to cost 36½ lakhs of rupees and when completed will be capable of watering 58,000 acres on an average and 97,500 acres in a year of drought. It is hoped that the construction of this canal will ere long be taken in hand by the Government.

"Larger employment of Indians.

"My Lord, the larger employment of the Indians in the different branches of the public services of the United Provinces is the next point which I beg to bring to Your Excellency's notice. I am not speaking of the Indian Civil Service nor of the other Covenanted services, but of those special Departments which are called the minor services. Except in the subordinate judicial and

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executive services, which are mainly manned by the Indians, there is a total exclusion of them from some branches of the public service. In others they are found in very inappreciable numbers so far as the gazetted appointments are concerned. In the Forest Department of the Imperial service there are 17 appointments in the United Provinces, none of which is held by an Indian. Out of the five special appointments only the last two, carrying salaries of Rs. 200 and Rs. 150, respectively, are held by the Indians. In the Provincial Branch of that service there is only one Indian as Extra Deputy Conservator, and seven others as Extra Assistant Conservators holding subordinate appointments. In the Salt Department there are three offices at the head-quarters and seven Assistants and Superintendents; the salaries of the two last-named classes ranges from Rs. 300 to Rs. 800 a month; there is not a single Indian among them. In the Opium Department there are no less than 54 higher appointments in the United Provinces; of these only five are held by the Indians with salaries ranging from Rs. 250 to Rs. 500. In the Telegraph Department there are 18 appointments, the highest monthly salary being Rs. 1,000 and the lowest Rs. 250; not one of these is held by an Indian. In the Financial Department there are seven gazetted appointments; not one of them is held by an Indian. In the Provincial Civil List in the Survey of India Department there are 14 posts, and only one of them is held by an Indian getting a salary of Rs. 300 a month. In the superior ranks of the Police Service there are 4 appointments at the head-quarters, 50 District Superintendents and 30 Assistants; the total coming to 84, and of these only one is an Indian holding the post of District Superintendent. In the Postal Department, besides the post of the Post Master General, there are 17 other appointments as Superintendents. Of these 6 only are held by Indians, two getting Rs. 250 a month and four Rs. 200 a month. My Lord, the paucity of the Indian element in this Department is particularly noticeable, as only a few years ago the Indian element predominated in it. Even the highest post, *viz.*, that of the Post Master General, was at one time held by an Indian, the late Rai Bahadur Saligram, who had risen to that high post from a subordinate position. In the Public Works Department also there is a paucity of Indians, none of the higher appointments being held by them. My Lord, there may be some appointments which may require special qualifications, but there is no valid reason for the practical exclusion of Indians from appointments requiring no such qualification. The Indian Universities are now turning out every year a large number of young Indians who are capable by reason of their general education to qualify themselves for special departments, and if their entrance into public service for posts suitable for them will remain practically barred in the future, as it has been in the past, much blame cannot be laid at their doors if from

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lack of opportunities they do not distinguish themselves in unbeaten walks of life.

“Educational Works.

“My Lord, I now come to some of the educational needs of my Provinces. On the subject of technical and industrial education I do not wish to say anything at present. We should wait for the inauguration and development of the policy announced in the Resolution issued by Your Excellency’s Government only a few days ago. The genuine interest which Your Lordship is taking in the spread of technical and industrial education has been evidenced very clearly by the creation of technical scholarships for which we are grateful.

“My Lord, the establishment of a Medical College in the United Provinces is an educational want which ought to receive the immediate attention of Government. The Universities Commission have recommended the establishment of such an institution, and the head of the local administration has also recognised its necessity. The Medical School at Agra costs the Government about Rs. 28,000 a year ; an additional expenditure of Rs. 52,000 annually will raise that institution to the status of a college on a footing equal to that of the one at Lahore, which costs a little over Rs. 80,000 a year.

“Primary Education.

“The last though not of the least importance is the subject of primary education. In this respect the United Provinces occupy the very lowest place in comparison with the other Indian Provinces. The percentage of the male population of the school-going age attending primary schools in the United Provinces is ten, whilst in Bombay and Bengal it is twenty-two and twenty-three respectively. The grant of five lakhs enabled the Local Government to add to the expenditure on primary education. New schools were opened, and in one year the total enrolment of scholars increased by 48,461, which was an increase of 17 per cent. over the number of scholars of the preceding year. This fact affords the clearest indication that the backward state of the United Provinces is not due to any apathy of the people towards education but to the absence of facilities for obtaining it.

“The most urgent educational needs described by the Head of the Educational Department, and noticed by the Local Government in their Administration Report for 1901-02, are :—

(a) More Primary Schools.

(b) More trained teachers, *i.e.*, more Normal Schools.

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- (c) Higher salaries for teachers, English and Vernacular.
- (d) Better, and better kept, school buildings for Vernacular Schools.
- (e) An increase of the district inspecting staff.
- (f) An improvement in pay and position of Subordinate Inspecting Officers.
- (g) Greater liberality towards female education.
- (h) More boarding houses and better ones; these should be attached to all Secondary schools, whether English or Vernacular, and should be under good management.

“ ‘The carrying out of these reforms and advances,’ says the Director of Public Instruction of the United Provinces, ‘on a moderate scale would require an additional twenty lakhs a year.’ This may seem a considerable demand; but even if it could be granted it would only raise the total expenditure from public funds on education, including University, Professional and Technical, as well as the general, secondary and primary instruction, without the outlay on buildings and all the cost of direction, to $1\frac{1}{3}d.$ a year per head of the population, and this scale of expenditure is already exceeded in most if not all of the other Provinces.

“Even the additional contribution received from the special grant of five lakhs has not much improved the position of the United Provinces in educational matters. As a matter of fact those Provinces compare very unfavourably with the other Provinces of India. With regard to public expenditure on education per unit of population, those Provinces already stand at the bottom of the list. From the special grant also they have received less in proportion to their population. My Lord, the cause of the backwardness of the United Provinces in educational matters cannot be better expressed than in the following passage from the last year’s Report of the Provincial Education Department. ‘Other Provinces,’ says Mr. Lewis, the Director of Public Instruction, ‘have by the favour of the Government of India been allowed to increase their lead.’ It is therefore the misfortune rather than the fault of these Provinces that they are the last of all in educational progress; and there it seems they are destined to remain. There is little doubt that if money were spent as freely here as elsewhere on education, and largely devoted to the extension of primary education, there would be a large increase in the enrolment of scholars. There is a demand in perhaps

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all districts for more schools and more schools, but they cannot be opened because the funds are exhausted. When a people cries out for education and cannot get it, we may well, with Carlyle, count it a tragedy."

The Hon'ble SIR DENZIL IBBETSON said:—"My Lord, the remarks with which I shall trouble the Council today will be very brief.

"The Hon'ble Mr. Hamilton urges us to increase largely and at once our expenditure upon agricultural education and experiment; he assures us that the money can be easily spared and profitably spent; and he holds up America to us as an example. But at the same time, he himself tells us why the example is not in point. He tells us that each of the American experimental farms is surrounded by a great body of farmers, all with capital at their command, all able to read and write the language in which the inquiries are conducted, and all intelligent; who eagerly co-operate with the farms and carry their teaching into practice. In India the very reverse of these conditions exists; and our difficulty is not so much want of money, as want of men. In order to exercise a practical influence upon the agriculture of the country, it is not enough to experiment successfully; it will still remain to bring the results of our experiments home to the people who are to benefit by them. And no amount of mere writing or talking will do that. As was pointed out in the Budget Debate of last year, what is needed is small demonstration farms at which the results of our experiments can be reproduced before the eyes of the cultivators. What we want in India, and what I hope we shall never be satisfied until we get, is an experimental farm for each area of which the agricultural conditions are distinctive, supplemented by demonstration farms in every district. But this means a very considerable agency, which must of necessity be for the most part native; and at present we simply have not got the men that we require. It would be a grave mistake to bring our institutions into discredit by starting them before we are in a position to work them efficiently, and the first thing we have to do is to train our agency. For that we need teachers, who do not yet exist.

"When we turn to education, upon the subject of which the Hon'ble Dr. Mukherjee similarly presses us, and holds up Germany as an example, the same difficulty confronts us. If agricultural education is ever to reach the agricultural population of India, it must be through the medium of their own vernaculars and it must be imparted by teachers who have learned in the vernacular. But at present, we have neither vernacular text books, nor teachers competent to teach from them. The fact is that both in the matter of trained agency and in the matter of teaching staff, we must begin at the top and work downwards.

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At present agricultural science can be taught only through the medium of English. Our first necessity is, a number of highly trained English-speaking Indians, who will prepare the necessary text-books in the vernacular, and who in their turn will instruct vernacular-speaking teachers to be employed in the lower grades of training institutions and schools. In the Budget Debate of last year I said that I hoped that the Pusa Scheme, which has been fully described in a recently published Resolution, would prove to be the corner-stone of agricultural progress in India. But we must lay the corner-stone before we proceed to the superstructure. I would ask those who are impressed with the infinite importance of the subject to the future of India, to believe that the Government realise it no less fully than they do; that they are conscious of their responsibility in the matter; but that they believe that ultimate success will be best assured by beginning at the right end, and by laying a sound foundation for future progress, even though to do so may involve a certain postponement of visible results.

“Another remark of the Hon'ble Mr. Hamilton's affords me an opportunity that I have for some time past desired, of saying a few words regarding the popular conception of the Indian Banya. He told us that he accepted the Punjab Alienation and Co-operative Credit Societies Acts as 'an earnest of the fact that Government has decided to clear the path of progress of the pests which now suck the life of the people.' I understand these words of his to refer to the Banya class; and I have noticed in various quarters, and especially of late, a tendency to speak and write of the Banya of India as if he was, if not always, at any rate generally, a dishonest scoundrel, and the inveterate foe of the Indian cultivator. In my opinion nothing could be more untrue, nothing more unjust; and I wish that people would accustom themselves to think and speak of the Banya as a banker rather than as a moneylender, for to call a man a moneylender is to condemn him by an epithet.

“There are, indeed, parts of the country where the Banya comes as a foreigner to settle temporarily among an ignorant people, upon whom he fastens like a leech, only to drop off when full and return to his own home. In such parts I believe that his procedure is often of a nature that it would be difficult to characterise too harshly. There are, again, other parts, such as the Punjab, where the desire of the Banya to acquire property in land has led to evils so grave that we have felt compelled to guard against their further growth by legislation of a very special character. But even in the Punjab, it is too often the cultivator who is himself his own worst enemy. There are bad Banyas of course; and when they are bad,

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they are very bad. But the character of such men is perfectly well known throughout the country-side ; and only those persons deal with them whose credit is so hopelessly broken that they can find no one else to deal with. At the other end of the scale there are Banyas, and not a few of them, who pride themselves upon never taking a case into Court. Between these two extremes lie the great mass of the class ; and my experience is that, so long as they keep out of Court, their dealings with their clients are, speaking generally, characterised by honesty and good faith and by a very considerable amount of liberality. When they are driven into Court, I am afraid that this cannot always be said of them ; but in such cases it is not the Banya alone who sins. In the parts of India that I know best, and under existing conditions, the Banya is the mainstay of the agriculturist. He fulfils the function which the air-chamber fulfils in a fire-engine, and converts the intermittent income which accrues to the cultivator only at harvest time, into the continuous supply which is necessary for the support of his family.

“ We were told last Wednesday that co-operative credit societies could never succeed in India, because the Indian cultivator is bound hand and foot to the moneylender. I do not believe it for a moment ; though statistics of indebtedness were quoted from a high authority in support of the statement. I do not pause to consider the degree of weight which can properly be attached to such estimates, though personally I regard them as dangerous and misleading. But I would point out that ‘indebted’ is by no means necessarily synonymous, as so many people seems to think it is, with embarrassed or insolvent. I do not for a moment wish to minimise the poverty and pecuniary embarrassment which undoubtedly exist among the smaller tenants and land-owners of India ; though after all, the real poor of the country are, not those who hold land on their own account, but the class of agricultural labourers. But, as I said in this Council the other day, agriculture, or at any rate cultivation by small holders, is in every country in the world carried on by means of borrowed capital ; and a man may owe money to his banker, and yet be perfectly solvent. Indeed, in the part of the country which I know best, indebtedness is the general custom. The cultivator’s account is kept on the debit side ; and if a man saves money, he never dreams of paying it in to his banker so as to convert his debit into a credit ; but he either uses it to acquire more land, or invests it in jewels for his wife, or possibly buries it in a hoard.

“ In this matter I am entirely in accord with the views which were expressed by the Hon’ble Mr. Cable a week ago, and by the Hon’ble Mr. Bose

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today. Our credit societies will be of use, mainly to supply the small needs of small folk; they certainly will never supplant the Banya; and it would be a grievous mistake if they were pressed forward in a spirit of declared hostility to him. Competition and rivalry there must be, to a certain extent. But that will be entirely wholesome; it will, I hope, tend to reduce the traditional and exorbitant rates of interest at present so often charged; and I agree with the Hon'ble Mr. Bose in thinking it very possible that the Banya may find it to his advantage to lend money to these societies on their combined credit, on easier terms than he can afford to give to the individual members. It may also be hoped, as suggested by the Hon'ble Mr. Cable, that the societies will exercise a valuable educative influence, by teaching the Indian villager that money is productive. If we could tempt into active circulation the vast amount of capital, scattered in small sums all over the face of the country, which at present lies idle in the shape of hoards or jewels, a considerable advance would have been made towards that development which we all so much desire.

“Last year I mentioned the new arrangement by which the Civil Veterinary Department would be relieved of a great part of its duties in connection with horse-breeding, and thus enabled to give increased attention to the cattle which are so all-important to Indian agriculture; and I stated that inoculation against rinderpest, with serum prepared at our laboratory at Muktesar, was steadily finding favour in the eyes of the people. I think it may interest the Council to learn the progress which we have made since inoculation was first started in 1900-01. In that year we inoculated 2,257 beasts; in 1901-02 we inoculated 19,859; in 1902-03 we inoculated 45,728, and might have treated more had not the supply of serum run short; while this year we have arranged for the manufacture of $2\frac{1}{2}$ lakhs of doses of rinderpest serum, besides nearly a lakh of doses of prophylactics against anthrax and other fatal diseases of cattle.

“The Hon'ble Dr. Mukherjee asks us for full and detailed statistics of the rental paid by cultivators as tenants to their private landlords, on the ground that it ought to be taken into account in calculating the total burden of taxation upon the people. I confess that it would never have occurred to me to include in the amount of the taxes which the State levies from me, the rent that I pay for the house in which I live; and in this matter I see no distinction between houses and land. From the point of view of revenue, Government are concerned with private rental, only in so far as it constitutes the proprietary profits of which the State is entitled to a share. And the only manner in which Government have

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interfered to regulate the amount of such rent, is by legislation designed to protect the tenant against extortionate demands on the part of his landlord."

The Hon'ble Sir ARUNDEL ARUNDEL said :—" As stated by the Hon'ble Mr. Adamson, railway construction in Burma has been at a standstill because the Burma Railway Company were not prepared to undertake further construction under the terms contemplated in their contract of 1897. An arrangement has now been made between the Secretary of State and the Railway Company, and an allotment of 15 lakhs has been made for the ensuing year to make a beginning with—

(1) the Pegu-Moulmein line,

(2) the Henzada-Kyangin line.

" I would gladly have allotted more, but our Budget is limited while the demands upon it are unlimited, and it is impossible to satisfy the claims that pour in from every side. It must always be remembered that the requirements of open lines and lines under construction have first to be met, and only the balance is available for allotment to new lines.

" If later in the year we should be in a position to increase the allotments for the two lines abovenamed, and at the same time the Company is in a position to spend more, I hope a further allotment may be given.

" The third line mentioned by the Hon'ble Mr. Adamson—the Daga loop to the Henzada-Bassein Railway—has not yet been properly surveyed or estimated.

" The Arakan line, which is being surveyed, will, I fear, prove to be exceedingly expensive without being financially remunerative. From a merely administrative point of view it would be useful, but it must be remembered that water-communication exists, circuitous though it may be.

" The Southern Shan States line has been estimated to be 112 miles long and so cost $68\frac{1}{2}$ lakhs, and it is by no means certain that the estimate is adequate, or that there would be enough traffic on the line to pay even working expenses.

" Enormous sums have been swallowed up on the Lashio line that might have been remuneratively expended elsewhere, and I am not prepared to believe that the Southern Shan States hill line will pay, on the strength of Sir George Scott's robust faith. The Chamber of Commerce may press strongly for it, but would any member of that body invest a hundred rupees in the scheme

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with any hope of a financial return unless guaranteed by Government out of the general revenue of the country ?

“ In all that the Hon'ble Member says of the promise of the future for Burma in increase of population, cultivation and wealth I cordially agree. But, limited as our assignments for railway construction are, it would seem to be a wise policy to press first for the lines that promise the best return.

“ As regards public works other than railways the Government of India hope shortly to be in a position to strengthen the Public Works Department staff in the grades of Chief Engineer, Superintending Engineer, Executive Engineer and Assistant. It is impossible to expend any very large sum satisfactorily until the establishment is increased, and this can only be effected by degrees.

“ With reference to the Hon'ble Mr. Cable's remarks on the subject of railway freights for coal, I would say that the East Indian Railway is already, after allowing for rebate, carrying coal at almost the minimum permissible rates. And with regard to railway freight rates in general it must be remembered that the Companies have full power to deal with such rates in their discretion within the maxima and minima laid down in their contracts. The Railway Companies have land freight to sell just as steamer companies have sea or river freight to sell, and it is not to their interest to quote rates so high as to impede traffic. If the mercantile community will point out what kinds of merchandise are held up anywhere and will not move because freights are too high, they will have done much to simplify the problem of railway rates.

“ As regards coal I may say that the rates on the East Indian Railway were reduced in August 1902, and the result so far has been more beneficial to the trade than to the railway, as the increase in weight carried to Calcutta or for export was not sufficient to counterbalance the loss in earnings. It is doubtful therefore whether further reductions can be expected for some time to come. Whether the steamer freights for export are capable of reduction is a matter on which I have no information, but it is probably known to the Hon'ble Member himself.

“ The Hon'ble Rai Sri Ram Bahadur desires that the construction of new railway lines should be left to private enterprise and not constructed from borrowed capital, as borrowing adds to the permanent burden of the country which ultimately results in the imposition of fresh taxes.

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“If the course recommended by the Hon’ble Member were followed, hardly any new railway line would ever be built, for private enterprise except in the rarest cases demands a Government guarantee in some form or other, and a Government guarantee throws the ultimate responsibility on the revenues of India; and as private enterprise even with a Government guarantee cannot raise capital so cheaply as Government, the taxpayer is in the end worse off than if Government raised the capital and built the railway. As the railways of India generally, even including expensive unremunerative strategic lines, are paying an interest on the outlay of nearly five per cent., the burden of the country is lightened by the difference between 5 per cent. and the rate at which Government borrowed, and there are in addition all the innumerable indirect advantages of the railways in fostering and developing trade and industry, giving a market to produce and permanent paid employment to an immense army of 378,000 Native employés throughout India.

“The Hon’ble Member says ‘the extension of railway communication places better facilities for trade in the hands of influential merchants whose voice is so effectually heard by the authorities at home and in India; the construction and extension of works of irrigation affects mainly the poor agriculturist who has practically no voice to bring his necessities to the notice of Government.’ I must repudiate the distinction which the Hon’ble Member would draw between the influential merchant and the poor agriculturist. The latter and the ‘voiceless millions’ elsewhere referred to are having their case presented and their interests looked after by the Hon’ble Member here, and by officers in every district throughout India. I have already shown that the permanent burden of taxation is directly lightened by our railway revenue. I do not think that the Hon’ble Member would wish to represent that Indian merchants do not profit by the better facilities for trade given by the railways, or that the agriculturist would be in an equally good position if he had no railway to take his cotton, his seeds, his wheat, to a market. The wonderfully successful irrigation colonies in the Punjab actually demand railway communication to get rid of their produce and so make money by it, and one successful line of railway has been built simply to meet the requirements of the colony created by the irrigation works.

“Then my Hon’ble friend says no recourse ought to have been made to fresh loans for the construction of irrigation works. I hope the following figures

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will convince him that his policy is anything but wise in the interests of the people of India :—

Statement showing the net receipts from canals in India credited to the State exchequer after paying all working expenses and arrears of interest to the end of 1902-03.

	Rs.
Punjab	6,91,53,974
North-West Frontier	6,71,293
United Provinces	3,15,71,760
Bengal	—6,51,27,608
Madras	7,70,11,158
Bombay and Sind	—76,72,414
Burma	—6,63,394
TOTAL	<u>10,49,44,769</u>

The Hon'ble MAJOR-GENERAL SIR EDMOND ELLES said :—" It is a great source of satisfaction to have the support of such an able and fearless critic as the Hon'ble Dr. Asutosh Mukhopadhyaya as to the necessity for maintaining our army thoroughly efficient, and I share his regret that the whole of the extra charge for the pay of the soldier has been thrown on India. It is also a great pleasure to hear the statesmanlike and broad views of His Highness the Agha Khan on military expenditure and its necessity. Should his proposals for the maintenance of transport units by minor Native States and large landowners be carried out, the military authorities will hail the measure with the greatest satisfaction.

" The increase of our expenditure on the army has been attacked by the Hon'ble Mr. Gokhale and Rai Sri Ram with their usual vigour and pertinacity, but of this increase seventy-four lakhs is a story two years old. The increase of the soldier's pay was resisted as a charge on the Indian taxpayer, but the Indian case was lost on being referred to arbitration and the charge has become a regrettable necessity. The expenditure in regard to Sikkim-Thibet, Seistan and Aden (49 lakhs) is for escorts to political missions, and I would leave it to His Excellency the Viceroy to reply to this part of the case.

" The remaining excess expenditure is due to the allotment to India of 50,000 extra rifles of new pattern and 21 batteries of Field Artillery. Is it really necessary to justify this expenditure ? The knowledge on military matters of the Hon'ble Members who have attacked the military expenditure is not extensive. I have listened with admiration to some of their speeches

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when they have spoken as experts on the University Bill and other subjects. I now feel still greater admiration at the boldness with which they criticise military measures regarding which their knowledge must be infinitesimal. Is it possible that they wish us to remain with ancient and out-of-date equipment when all other Powers have supplied themselves with the most modern? Are we to be content to hide ourselves behind our mountain barriers under the foolish impression that we shall be safe whilst the absorption of Asiatic kingdoms is steadily in progress?

“It is, I think, undoubted that the Indian army in the future must be a main factor in the maintenance of the balance of power in Asia; it is impossible to regard it any longer as a local militia for purely local defence and maintenance of order.

“Have not my Hon’ble Colleagues an object lesson before them?

“Fifty years ago Japan commenced to emerge from what I may call the junk and bow and arrow stage of naval and military science. What is it that has made her a first class naval and military Power?

“Our Hon’ble critics wish us to adopt a policy of non-advancement with the times. Was it by such a policy that the evolution of Japan has taken place in a manner never before seen in any age? Japan many years ago became aware of the insidious advance of a Power to threaten her and began to prepare with a foresight and statesmanship which have gained her universal admiration. Few then thought that this small island kingdom would in a few years be fighting a first class Power for her existence; yet what would have been her fate shortly had her future been guided by statesmen holding the views of my Hon’ble Colleagues Mr. Gokhale and Mr. Sri Ram? Are we to disregard all warnings and remain in a backward state of military preparation? The South African war showed the inferiority of our field gun, and since then experiments have been carried out to produce a perfect gun of quick-firing type. It is interesting to know how backward we are. Russia is armed with a quick-firing field gun firing sixteen rounds a minute; ours probably fires two with difficulty. France is also armed with quick-firing guns stated to fire twenty rounds a minute. Germany has been armed since 1896, but is now re-arming with a better one. Even Switzerland began re-arming in 1901, and Japan commenced in that year and is believed to have completed its field artillery with quick-firing guns. Re-armament is very expensive, the cost of 21 batteries being £500,000, and the full re-armament will cost over a million sterling; the other batteries we hope to re-arm by guns made in India at a lower cost.

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“There is yet another point I would press on my Hon'ble Colleagues. England after an expenditure of nearly 223 millions sterling on the Boer War came to the conclusion that want of reserves was rather an expensive thing and immediately voted 10½ million for war reserves. Nearly 9 million of this has been already spent. What is our small expenditure compared to the issues at stake? Even now with the extra expenditure this year you are only paying an extra insurance for the extra prosperity of the country, and the expenditure has barely increased when compared with the expansion of revenue. You paid in insurance during the four years 1896-97 to 1899-1900 24·70 per cent. on gross revenue; in the four years 1900-01 to 1903-04 it was 21·08. For 1904-05 the estimate is 24·02, and any increase in revenue decreases the percentage. I see no reason why the army should not have a certain share of increased prosperity as for years it was completely starved.

“The Hon'ble Mr. Gokhale refers to the figures in my memorandum on the Military Budget as curious, but I do not think it is so curious as his deductions. If I take the same set of figures throughout, the comparison between years is not vitiated. I took the last eight years for my periods because they were the last eight years. I fail to see why he should not take the principal heads of revenue in calculating the general increase of revenue. He says that the revenue between 1884-85 and 1904-05 increased from 51 crores to 73 crores; but I find that the gross revenue increased from nearly 71 crores in 1884-85 to 124 crores in 1903-4, and 120 crores is estimated for next year. He says the military expenditure between 1884-85 and 1904-05 increased 70 per cent. whilst the revenue increased 44 per cent.; but I find that the gross revenue increased in that time by 75 per cent.

“The Hon'ble Sri Ram has the following statement:—‘This abnormally high and rapid increase in army expenditure cannot but be deplored.’ In this we may entirely agree, but so long as other Powers progress in military armaments and preparation for war we must also keep pace. He continues with this remarkable criticism:—‘The continuing growth of this already too heavy burden absorbs the surpluses and stands in the way of Government taking steps to give relief to the agriculturists.’ I would point out that the large surpluses have been attained in spite of the military expenditure, and as they are a solid fact—29 crores in six years according to Mr. Gokhale—I fail to see how they can have been absorbed by the Army. At least 75 per cent. of the increased gross revenue has been expended on general purposes, and there has in addition been a large remission of taxation. Less than 25 per cent. of the gross revenue is still expended on the Army.”

[*The Lieutenant-Governor.*] [30TH MARCH, 1904.]

His Honour THE LIEUTENANT-GOVERNOR said :—“ My Lord, I will only make a few remarks on the Budget in reference to its relation to the Province of Bengal. In the first place I should like to say that I thoroughly acknowledge what the Hon'ble Finance Member has, with his becoming modesty, called the ‘reasonable liberality’ with which the Government of Bengal has been treated in the new Provincial Contract. I am very glad indeed that this step forward has been taken in regard to decentralisation, so as to call forth, as I believe it must, the best efforts of Local Governments and of their officers in regard to efficiency and economy of administration; and I acknowledge gratefully that in starting us off on the new system, the Government of India has treated us with reasonable liberality. We had very considerable discussion over the Provincial Contract before the Government of India settled it; and I am bound to say that the impression which that discussion left on my mind confirmed the impression which I had formed of the relations of the Government of India with Local Governments both while I was connected with the Government of India as Home Secretary, and also during the more than four years in which I have occupied the position of the head of a Local Government: that is, I recognise fully that not only do the Local Governments maintain that we belong to the same great system, and that we are working out the same great work; but the Government of India also cordially recognise this, and meet us in a sympathetic and kindly way. We did not of course get all we asked, because we asked for all that it was possible to hope for; but we got much of what we asked; and when we had got it and looked round and saw what other people had got, we were bound to admit that we had received at all events reasonable treatment; and I am sure that nothing that it was our duty to urge in regard to the necessary and expedient expenditure of Bengal was lost sight of by Your Excellency and Your Excellency's Government.

“ There are several matters in regard to which, coming to the Province of Bengal, I have been deeply impressed; and I am glad to say that they are not matters which have impressed me without having impressed my predecessors, or which have impressed me without having impressed those who are my responsible and even irresponsible advisers in this Province. They are matters which have deeply impressed me. One is the undermanning of our district and local establishments. We have far too few Deputy Collectors, and far too few Sub-Deputy Collectors; and our ministerial establishments are underpaid and undermanned. That is a matter which we have strongly represented, and it is a matter consequently in respect of which the Government of India have given us substantial help. I trust that, with the help which that Government have given, and with the money which under the new Contract it will be possible for us to set aside

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for this purpose of improving our local administration, great improvement may take place. As I have said, this is a matter which attracted the attention of my predecessors and which has also attracted the attention both of my subordinates and of the Press; and I am sure that the measures which are now about to be carried out, which are now under discussion between the Government of Bengal and Your Excellency's Government, will give great satisfaction to the Province generally. .

“ Then there are three matters in respect of which we feel the necessity for a very considerable expenditure, but in respect of which we are still uncertain as to what that expenditure must be. In regard to these matters the Government of India have, however, given us the assurance that while they will expect us to do all that we can for ourselves they will give us all reasonable assistance in the future.

“ The first is irrigation. In respect of irrigation I have seen and examined a good number of the projects which seem absolutely essential in these Provinces, and I am sure that the policy which has been developed by the Government of India will be one which will be received by all who have an interest in the agricultural community with great gratitude.

“ The second point is the police. In regard to that I hardly need say anything. My predecessor, the Hon'ble Sir John Woodburn, in this Council made as strong a statement perhaps as one desires to make about the necessity for police reform in Bengal; and that statement was certainly not too strong. I have the strongest belief in the necessity for very great reform. In respect of this matter we are still waiting to ascertain what are the lines of the policy in accordance with which reform must be carried out. I believe myself that it is better to wait. I have great pressure brought to bear upon me to carry out certain reforms immediately. I believe, however, that it is better to wait and to have a clearly defined policy before us before we begin to work on this great and important question.

“ The third matter with regard to which the Government of India have promised us reasonable assistance in the future is the matter of education. Here again I find myself in accord with my predecessors, and in accord with what I believe to be the best opinion in the province, when I say that in respect of primary education we must incur great expenditure; that in respect of secondary education we have hardly any model schools at all; and that in respect of Colleges, we have to start them in many respects on a new line altogether. Your Excellency is aware that something has already been done at Dacca in

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starting a College on these new lines; and it has been brought before this Council in another debate by the Hon'ble Dr. Mukhopadhyaya that a great number more of European Professors are required than we have at present for our Colleges. There is also another feature of education which was omitted, I think, by the Hon'ble Mr. Pedler this morning, and to which I attach as great importance as any, namely, the absolute inadequacy and too general incapacity of our inspecting staff. All these things are matters upon which we shall have to incur great expenditure. We will make every effort that we can to meet these necessities, and we have been promised the support and the assistance of the Government of India.

“It was a very great pleasure to me to listen to the story which my Hon'ble friend Mr. Bose had to tell us of the history of the Morris College in Nagpur. In respect of that College he tells us that some men ‘laboured hard and long.’ I need hardly say that this is Mr. Bose's own modest way of hiding the fact that he, Mr. Bose, laboured hard and long for this College. The work which he did, the energy that he put into it, the patience and the devotion with which year after year he laboured for this College, have now been crowned with success as I believe; and they are crowned with success on the lines of the late Universities Bill, which has now become the Act under which we are all working.

“Two other matters only, my Lord, I shall refer to and that very briefly: one is public works under the Public Works Department and under the District Board. It is hardly credible, the impression which has been created in my mind in the course of my somewhat extended tours in this Province during this cold weather of the backwardness of this ‘forward’ Province of Beagal with regard to communications and buildings, and also with regard to the important matter of water-supply in the interior. That is a matter to which we shall have to give of our finances; and I do trust that, despite the existence in certain limited localities of an opposite spirit, it will be found that, when the Government either directly or through the Local Boards and Municipalities expends its own money, the public will also be ready to come forward and assist as they have done in the Province to which I have so long belonged,

“The second point on which I should like to say a word is the question of agriculture. I think it must be very gratifying to Your Excellency's Government to find that a matter which occupies so large a place in the Financial Statement has also occupied so large a place in the discussion today, and that

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the policy which has been inaugurated, or at all events pushed forward to so great an extent as to be practically a new policy under Your Excellency's Government, is one which commends itself so much to the critical Members of this Council. I have myself visited the Pusa Estate and discussed with my friend Mr. Mollison the object which the work at Pusa has before it, and I am fully satisfied that the advantage to our Province of Bengal from the work which is going to be carried out at Pusa will be of the very highest. But I am very strongly of opinion, with my Hon'ble friend Sir Denzil Ibbetson, that it would be absolute madness to push on agricultural experiment and agricultural instruction until we have the men to conduct the experiments and to give the instruction. That is the very first work which the Pusa establishment will have to do: to furnish us with the men that will be able to carry on our demonstration farms and to give the instruction that is required in agriculture. There is, however, another point to which I should like to refer in regard to agriculture. I feel very gratified indeed to think that the Central Provinces and its agricultural work should receive such honourable mention as it has from my Hon'ble friend Sir Edward Law in the Budget Statement; and I feel very strongly that no recognition of that kind could be too high for the excellent work that has been done by my friend and late colleague Mr. Sly. One great feature of that work, however, is one which I should like to see carried out here. We have had valuable hints today from the Hon'ble Mr. Hamilton in regard to agriculture; and we have also had valuable statements from the Hon'ble Mr. Cable about the connection between agriculture and commerce in this country. What I should like to see would be an association, not a great, big, unwieldy, uninterested association—but a good sound, working association such as we have in the Central Provinces—composed of agriculturists and of commercial men and of manufacturers, to criticise our experiments, suggest experiments and help us in our work. Now I shall be very glad if, when they have leisure, my Hon'ble Colleagues Mr. Hamilton and Mr. Cable will give me some hints in regard to the formation of such an association.

“ I shall not touch on the question of excise. I thoroughly concur in what has been said by the Hon'ble Finance Member in the Budget Statement in regard to excise. The views of Your Excellency and of the Government of India are well known. It is our duty as loyal though subordinate collaborators with the Government of India to enforce that policy, and we shall certainly do our best to carry it out. As is well known, the question of excise is now before the Legislative Council of the Government of Bengal, and I trust that we shall be able to work out a measure which will meet with the approval not only of the public but also of the Government of Bengal.

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"In conclusion, my Lord, I join heartily in congratulating the Financial Member and Your Excellency's Government on this Budget."

The Hon'ble SIR EDWARD LAW said :—"My Lord, I think that perhaps it will be unnecessary for me to reply to each Hon'ble Member who has spoken. It will possibly save time if I confine myself to replying to those rather longer speeches which included remarks repeated, though in different form, by others who were briefer in their criticisms.

"The Hon'ble DR. Asutosh Mukhopadhyaya started the discussion with a speech which, whilst I gladly acknowledge its moderation, I cannot pass by without calling attention to the unsoundness of many of the premises on which he has founded his conclusions and criticisms.

"My Hon'ble Colleague discusses the causes of our surpluses. He considers that the principal factors which have contributed to such surpluses are first the stability of exchange and secondly increase of taxation. He has apparently persuaded himself that the means adopted to establish stability of exchange have been in themselves most prejudicial to the true interests of agriculturists, that is, to the great mass of the population. In this connection the Hon'ble Dr. Mukhopadhyaya submits a remarkable and, I would venture to say, very arbitrary statement of figures with regard to the exports of Indian merchandise (I use his words) 'grown by ordinary cultivators' and the value of the articles of import 'used by the agricultural population.' How he comes to class jute manufactures as an article 'grown by ordinary cultivators' I do not understand, and he himself has clearly some doubt as to the correctness of the principle which has led him to include such manufactures in his schedule, since he omits from the same schedule cotton manufactures. From the point of view of his arguments I cannot myself distinguish between the two. Again, I find that from his list of articles imported for the use of the agricultural population he omits copper, silver bullion, sugar, steel, railway material, machinery and mill work, twists and yarns, and various minor articles such as fruit and vegetables, and vegetable oils. My Hon'ble Colleague must, I think, admit that all imports of silver, of steel, of railway material and machinery and of mill work are more especially for the benefit of the masses, that is, the agricultural population. It cannot be questioned that the agriculturist is the man who is chiefly benefited by the construction of railways and the importation of steel and materials for use in connection with them, and I cannot believe that any class has derived a greater profit than the agriculturist from the importation of such machinery and mill work as are used for the purpose of reducing the cost of manufactures and thereby enhancing the value of the raw materials used in their production. Again, my Hon'ble Col-

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league assumes that only 80 per cent. of those articles of import which he schedules are used by the agricultural population. This seems to me to be a very arbitrary assumption, particularly as regards the imports of spices, steel, agricultural implements and grey shirtings, which he mentions. But I think I need not pursue the question in further detail. I have said enough to show that the calculations are based on premises which are, to say the least, too arbitrary to admit of any close argument being founded thereon.

“ I am averse to attempting a discussion of such wide economic questions as the effect on exports, of a depreciated exchange, in the limited time available during the discussion of the Budget. I must, however, point out that the only period during which the value of commodities exported can be appreciated by a falling exchange is that during which the effect of depreciation of exchange has failed to make itself universally felt throughout the exporting country. I am aware that, particularly in a backward country, it ordinarily takes a considerable time to make such effects universally felt, but where a country has to meet gold liabilities, if exchange be not sustained, taxation to meet such obligations must be increased from the very outset of a crisis produced by exchange depreciation. It is, however, perhaps, in any case unnecessary further to pursue this line of argument, since there has been no appreciation of the value of the rupee beyond that at which it stood very shortly before the closing of the mints. The average rate of exchange in the financial year 1891-92 was 16·733 pence. The measures taken by Government in 1893 have therefore not resulted in an appreciation of the rupee, but only in maintaining its exchange value at a rate approximate to, but somewhat below, that at which it stood immediately prior to 1893. The Hon’ble Mr. Morison has, with much acumen, discussed this question from another point of view, and he has shown that on the scientific basis of a comparison of past and present index numbers, there is no foundation for the allegation that the raiyat has suffered from the measures taken to maintain the stability of exchange.

“ I now come to the question of increased taxation, and I must express great surprise at the erroneous assumption made by so acute a reasoner as my Hon’ble Colleague. He says that our surpluses are due to increased taxation, and he names the heads under which there have been increases. The surpluses of recent years, against the origin of which he finds reasons for complaint, have, as I pointed out on a previous occasion, been obtained without any increase of taxation. Since the year 1896-97 there has been no increase of taxation, with the single exception of the imposition of countervailing duties on bounty-fed sugar, the

returns from which have barely averaged £100,000 per annum. The years 1896-97 and 1897-98 both closed with very heavy deficits, and the cycle of surpluses only commenced in 1898-99. Last year we remitted taxation at a cost of £1,220,333, and nevertheless the growing prosperity of the country has resulted in an increase of revenue under general heads (excluding mint and opium) amounting to £2,093,661.

"I submit a table showing calculations of incidence of taxation in India. It will be observed that when, on the only sound principle for such calculations, revenue from State property is treated separately, the incidence of taxation is now only Rs. 1'42 per head per annum.

Statement showing incidence of revenue from 'taxation' and 'Government Property' respectively per head of population.

	Population.	GOVERNMENT REVENUE FROM				Incidence of (3) per head of population.	Incidence of (4) per head of population.
		Taxation.*	Property.†	Other items. ‡	Total.		
1	2	3	4	5	6	7	8
	Number.	Thousands of rupees.	Thousands of rupees.	Thousands of rupees.	Thousands of rupees.	Rupees.	Rupees.
1880-81 . . .	196,429,857	19,65,77	44,92,69	9,70,55	74,29,01	1'00	2'29
1885-86 . . .	207,406,514	19,13,17	49,63,50	5,69,75	74,46,42	'92	2'39
1890-91 . . .	218,383,172	24,75,74	54,96,45	6,01,98	85,74,17	1'13	2'52
1895-96 . . .	222,866,529	30,29,57	61,94,40	6,13,05	98,37,02	1'36	2'77
1900-01 . . .	227,349,886	31,22,42	70,50,86	11,17,56	1,12,90,84	1'38	3'10
1901-02 . . .	228,246,557	32,58,13	74,02,92	7,90,63	1,14,51,68	1'43	3'24
1902-03 . . .	229,143,228	33,59,18	73,44,72	8,15,19	(a) 1,15,19,09	1'47	3'20
1903-04 (Revised).	230,039,899	32,54,43	78,90,97	11,88,60	(a) 1,23,34,00	1'41	3'42
1904-05 (Budget).	230,936,570	32,85,79	78,44,16	7,59,72	(a) 1,18,89,67	1'42	3'40

* Includes Salt, Stamps, Excise, Provincial Rates, Customs, Assessed Taxes and Registration.

† Includes Land Revenue, Opium, Forest, Post Office, Telegraph, Railways and Irrigation.

‡ Include Tributes, Interest, Mint, Civil Departments, Miscellaneous, Other Public Works and Army.

(a) The revenue from Berar, included in the Accounts of the Government of India from 1st October 1902, has been left out for the purpose of comparison in the above table.

NOTE.—The population figures of 1880-81, 1890-91 and 1900-01 have been taken from the line 'Total British' at page 5 of the tenth issue of the Financial and Commercial Statistics (after deducting the population of Berar). For 1885-86 and 1895-96 the mean of the 1881 and 1901 and of the 1891 and 1901 figures, respectively, have been taken. For the years following 1900-01, an addition equivalent to the average annual increase of population between 1891 and 1901 has been taken.

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“The Hon'ble Dr. Mukhopadhyaya has devoted a considerable portion of his speech to a suggestion that the income-tax should be abolished. He, however, agrees with me in thinking that our primary care should be not to overtax the agriculturist. The agriculturist does not pay income-tax, and I leave it to my Hon'ble Colleague to suggest in what form and on what class the new tax should be levied to take the place of the income-tax.

“I may point out that the Hon'ble Dr. Mukhopadhyaya appears to be unaware that we already have a graduated income-tax in India. On incomes below Rs. 2,000 the tax is not assessed at so many pies in the rupee, but on a fixed scale as follows :—

From Rs. 1,000 to Rs. 1,250	.	.	.	.	.	Tax Rs. 20.
From Rs. 1,250 to Rs. 1,500	.	.	.	.	.	Tax Rs. 28.
From Rs. 1,500 to Rs. 1,750	.	.	.	.	.	Tax Rs. 35.
From Rs. 1,750 to Rs. 2,000	.	.	.	.	.	Tax Rs. 42.

“The results of these rates naturally differ from those calculated by my Hon'ble Colleague; up to an income of Rs. 2,000 per annum, they only reach 5'04 pence in the pound.

“With reference to the implied suggestion that the Government of India is under some sort of an obligation to abolish income-tax when not absolutely required for the immediate purposes of administration, I must point out with emphasis that no kind of obligation exists in the matter. When originally introduced in 1860, the income-tax was admittedly a temporary impost, and consequently when it was considered that the financial situation permitted its abolition, it was promptly abolished. When reimposed in 1886, no sort of promise was made that it would be hereafter abolished in any specified circumstances. It has now been levied continuously for some seventeen years, and I must repeat my hope that should it be found possible to grant some measure of relief to the tax-paying population, the claims of other and more needy classes will be considered before those of the wealthier class whom we desire particularly to reach by the income-tax.

“With regard to the Famine Insurance Grant, I am afraid that the statement in paragraph 181 of the Financial Statement is perhaps not quite so clear as it might be. That statement has been drawn up on the basis of an increase of revenue amounting to $1\frac{1}{2}$ crores of rupees per annum having been obtained by measures taken by Government in 1877-78 for the special purpose of providing for famine requirements. A credit and debit account has been prepared which has year by year been credited with the full $1\frac{1}{2}$ crores, as originally

proposed, and this account shows a credit balance of £2,089,149 at the close of the current financial year. Had we taken into account the reductions which were made in the contributions for famine purposes in the years 1894-95, 1895-96, 1899-1900 and 1900-01, the balance on the credit side of the account would have been *pro tanto* reduced.

“ I find some difficulty in following the various calculations made by Hon’ble Dr. Mukhopadhyaya on the question of the general burden of taxation, but I may at once point out that the calculations appear to me to be of very small importance, since they are based upon an entirely erroneous assumption that, apart from local cesses, land is taxed in India. At some period in the history of all countries, land has been the property of the tribe or of the State composed of amalgamated tribes. In India that system as a rule continues. The raiyat in India has, generally speaking, neither won his lands by the sword nor purchased them by a cash payment; he therefore properly pays the rent thereof to the proprietor, that is, to the State. Again, my Hon’ble Colleague appears to be quite in error in omitting from his calculation of the burden of taxation in England the very heavy local rates and taxes. It is true that local cesses are levied in certain parts of India, but these as compared with local taxation in Europe are relatively insignificant.

“ My Hon’ble Colleague gave as one of the headings in his speech ‘fictitious surpluses.’ I must admit being unable to understand the term ‘fictitious’ as applied to the surpluses which our accounts have shown to have been realised in the last few years. The fact that, in connection with Provincial settlements, we have, for convenience in accounting, made large assignments during the current financial year to Local Governments for expenditure in the forthcoming year, does not, I think, in any way justify the use of the word ‘fictitious’ in connection with the amount of the surplus actually realised.

“ In his zeal for the welfare of the agricultural classes the Hon’ble Rai Sri Ram has, I fear, somewhat overstated his case in a manner which my zeal in the same cause leads me, in their interest, to consider as a matter for regret. Although it is true that certain additional cesses, chiefly of the nature of what is properly described as local taxation, have been imposed on lands during the last thirty odd years, the sums annually collected under this head are relatively small, and since my Hon’ble Colleague views reduction of taxation to the extent of £1,000,000 under salt as a small matter, I cannot but fear that, were the cesses of which he now complains abolished, he would similarly turn round and treat the concession as a very small matter.

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"Local taxation is a very complex question, and the rates levied in different provinces vary largely in amount, incidence, and history; it is not the case that incidence is heaviest where the nominal rate is highest; I observe that the Hon'ble Member has not suggested that the local taxes are specially burdensome in his own province.

"I may mention that the question of the advisability of reducing local cesses was very fully considered by Government some three years ago when we discussed schemes for the remission of taxation, and the conclusion, based on careful enquiries from the local authorities, was that the present incidence was not unreasonable, and that in many cases a remission would fail to reach the actual cultivator. The Government of India has no interest in granting remissions the benefit of which is likely to be intercepted by land-owning middlemen.

"The Hon'ble Member may be interested to know that, in respect of his own province, proposals are now under consideration for reserving for purely local purposes that part of existing local rates which has hitherto been allotted for expenditure on railways and canals, and, as he is aware, the new Provincial settlement with the United Provinces includes a grant of $1\frac{1}{2}$ lakhs per annum in aid of local board finance.

"With regard to my Hon'ble Colleague's observations on the effect of the maintenance of a fixed exchange, I have dealt with this question in my reply to the Hon'ble Dr. Mukhopadhyaya.

"I do not quite follow the Hon'ble Member's arithmetic when he says surpluses, it appears, have been and will be absorbed by an increase of expenses under the head of Army Services'. It is true that our estimate of expenditure for the coming year, which includes a very heavy non-recurring charge, will exceed the figure for the year 1900-01 by approximately £4,000,000, but our revenue receipts, omitting profits from coinage, have increased in the same period by approximately £8,000,000; there is therefore no foundation for the statement that military expenditure has absorbed the increase in our resources.

"My Hon'ble Colleague inquired why I took an exchange rate of 16*d.* to the rupee in my statement of accumulations of treasure in India. The only sound calculation of the value of the absorbed silver is to show its value at the present moment, and that is, at the rate of exchange of the day, Rs. 15 to the £. Rates at previous dates have no significance of any kind. We want to know the present situation. As regards gold, the question of exchange does not arise.

"I am in complete sympathy with the interest expressed by my Hon'ble Colleague Mr. Hamilton in the prosperity of agriculture; but to one point in his speech, a point which has been treated, though in a less emphatic manner, by several other Hon'ble Members, I must take exception. It is of course a matter of great satisfaction to me on personal as well as on public grounds to be able to submit to Council a prosperity Budget, but the causes leading to this satisfactory situation have been entirely beyond my control. The situation is in the main due to the fortunate climatic conditions which have prevailed practically throughout India during the last two years, whilst even in our bad years, when acute distress prevailed in some parts of the country, other areas were enjoying not only normal prosperity but were positively the richer for the famine. It must be remembered that our huge famine expenditure consisted of disbursements within the Indian Empire, and in so far as they were merely a transfer of money from the pockets of one section of the population to those of another and more fortunate section, India, as a whole, was none the poorer. Personally I have done, and could do, nothing to influence this situation, and I cannot tacitly accept compliments founded on an erroneous impression.

"I cannot but admit to sharing to a certain extent the Hon'ble Mr. Cable's regret that the result of our budget estimates for the forthcoming year shows a decrease in our closing balances on 31st March, 1905.

"Our situation in India is peculiar. In most countries, relatively very small balances are required to be held by the treasury, since it is always possible by temporary expedients, such as the issue of treasury bills, to raise considerable funds at short notice to meet special requirements. In India we have no such resource at hand in times of need; we are obliged by the force of circumstances to be our own bankers. The only way in which we can meet the situation is by keeping large balances in our treasuries, but it must be remembered that the maintenance of such balances is a direct pecuniary loss in so far as the money is lying idle and unproductive, and it is therefore our duty to keep down the amount within the limits of a reasonable margin for safety. We are pressed on all sides to admit increased expenditure, particularly for productive works, and we propose in the forthcoming year to raise a rupee loan in India, and I think that my Hon'ble Colleague will agree that three crores is as much as we should reasonably ask from the Indian market, and as regards borrowing in London, he is of course aware that the situation of the European money markets is not in present circumstances one to inspire confidence in the possibility of large borrowing at reasonable rates in the early future. On the

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whole, it will, I think, be seen that there are reasons for admitting some reduction in our balances, rather than attempting to increase our borrowings in unfavourable circumstances.

“With reference to the new contract for mails between India and the United Kingdom, we have recently received telegraphic information from which I understand that an arrangement has been made with the Peninsular and Oriental Steam Navigation Company, for the prolongation of the existing contract by a term of three years, subject, under the usual penalties, to an acceleration of speed by twenty-four hours for the time of transit, either way.

“With reference to the Hon’ble Member’s remarks about the income-tax, I need only add, to what I have already said, that the greatest objections to the tax are, we believe, being gradually removed by improved administration, and such improvement has undoubtedly been accelerated by the raising last year of the taxable limit.

“I think that my Hon’ble friend need not be under any apprehension as regards the probability of the introduction of excise-duties on such industries as paper-making. There is no comparison between the amount of revenue easily obtainable from the consumption of cotton manufactures and such as could be obtained from taxing the consumption of such articles as paper.

“With reference to the doubts expressed as to the correctness of my views that such difficulties as are experienced by cotton spinners and weavers are not due to the levying of excise-duties at a trifling rate, but rather as a rule to the financial organisation of the industry, I may mention, in confirmation of my opinion that well conducted mills on a sound financial basis can work at a profit, the fact that the Colaba Land Mill paid in 1903 a dividend of $5\frac{1}{2}$ per cent; the Framjee Petit Mill, $4\frac{1}{2}$ per cent; the Manokji Petit Mill and the Swadeshi Mill, 6 per cent; Jewraj Baloo Mill, 8 per cent; and the Presidency and Sholapore Mills, 7 per cent.

“The Hon’ble Dr. Bhandarkar laid considerable stress, in his remarks on the question of excise-dues, on the fact that the capital outlay for the establishment of a mill is considerably greater in this country than in Europe. That is undoubtedly the case, but on the other hand the raw product, cotton, is at the door of the Indian manufacturer. I am not able to make a definite statement on the subject, but I should imagine that one fact probably compensates the other.

“On the question of the statement which I submitted regarding the balance of trade, my Hon’ble Colleague Mr. Gokhale appears to believe that he has,

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at the last moment (he has had my figures before him for some weeks), discovered a serious error. I am inclined to think that there may be something in the objection which he has raised, although I am not sure that I correctly understand him. As he has put it, it is however, I think, clearly incorrect. The Hon'ble Member appears to base his criticisms on a figure of £16,000,000, which he says has been raised in England during the three years I considered, and spent on public works in India. He has, however, omitted to take into consideration that our rough estimate of distribution of expenditure on railways is one-third for stores purchased abroad, and two-thirds for expenditure on works in India, whilst for irrigation and other works the proportion spent in England is comparatively trifling. The use made of this figure of £16,000,000 would therefore appear to require very serious reconsideration. Moreover, I may mention that according to a statement which I have had hurriedly prepared today, the net borrowings by the Secretary of State during the three years considered, amounted to approximately £9,600,000, but of this sum no less than some £7,300,000 was devoted to transactions in connection with the purchase of the Great Indian Peninsula railway, a transaction having no possible connection with the balance of trade. The fact is then the average borrowings of the Secretary of State have been somewhat below £800,000 per annum.

" He asks :—

- (1) What becomes of the profits which English merchants annually earn in India ?
- (2) What becomes of the freights the English companies earn ?
- (3) What becomes of the savings of Anglo-Indian lawyers, doctors, civil and military servants of the Crown ?

" I will tell him :—

(1) It is only when the merchant finally leaves India in the evening of a life spent in developing the resources of this country that he remits any important sums abroad ; during his career in India he does not hide them under a hearth stone, but employs them to develop the resources of the country, to the lasting benefit of the masses of his Indian fellowsubjects.

(2) Freights on imports are included in the value of imports I have tabulated ; freights on exports are paid by the importing European consumers ; the latter are entirely outside the calculation.

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(3) The savings of lawyers, doctors, and civil and military servants of the Crown are during their career in India almost invariably invested in this country; it would be contrary to commonsense for a man who has the opportunity of investing his money in Indian enterprises returning 6 to 8 per cent., to invest his money in Europe where he would find it difficult to obtain 4 per cent. I must point out that whilst the officers of the Indian Army who have reached a certain rank are undoubtedly able to accumulate small savings, in the junior ranks such savings are out of the question, and moreover against the savings of the senior ranks of officers of the Indian Army we must take into account the large sums steadily drawn from Europe by the great majority of officers of the British Army serving in this country, whose pay contributed by the Indian tax-payer is insufficient to meet their daily expenditure.

“The Hon’ble Mr. Gokhale is one of the multitude who stand at the door of the treasury and cry ‘Give! Give!’ But not only does he desire increased expenditure, he is most anxious to abolish such taxes as already exist and with which present needs are met. We are not in a position today adequately to provide for expenditure on many and various worthy objects and particularly on education in which he is keenly interested, and yet when the Budget shows, as has been remarked by the Hon’ble Mr. Cable, an unfortunate diminution of about £3,000,000, in our closing balances, with numerous unsatisfied demands for expenditure, the Hon’ble Member questions our whole fiscal policy and suggests that one of our most important resources, the land-revenue or rent paid for lands the property of the State, should be sacrificed.

“In support of his suggestions the Hon’ble Member quotes certain figures from which he draws the conclusion that the percentage of rents charged on land has been increased by 22 per cent. in fourteen years. Last year my Hon’ble friend corrected me for having omitted to take into account the inclusion of the addition of Berar revenue in my Financial Statement; today he has committed the same mistake himself, and not only has he forgotten the existence of Berar, but he has left out of account the fact that in the year 1890-91, which he arbitrarily selects as the initial year of the period he considers, land settlement in Burma was in its infancy, and further that the colonisation and irrigation schemes in the Punjab, which during the latter part of the period have borne such splendid fruit and contributed in a most important manner alike to the prosperity of the agriculturist and to the resources of the treasury, were, if nascent, of no practical account as regards their effect on revenue returns. I will venture to correct the calculations of my Hon’ble Colleague, and, deducting from the figures

which he has given, the returns from land-revenue in Burma and the Punjab and the recent addition of Berar revenues, we find that the total revenue derived from land in 1890-91 was Rs. 19,71,14,000 and that for 1904-05 it is estimated at Rs. 22,53,24,000. These figures show an increase for the period not of 22 per cent but of 14·3 per cent. or one per cent. per annum.

"How my Hon'ble Colleague has found the courage to commit himself to the statement that we now 'have a large permanent excess of revenue over expenditure' I am at a loss to understand. I can only say that I envy his confidence as a prophet. Anyone who has studied fiscal questions is aware that there is nothing like permanence in any country in the comparative relations between income and expenditure. Demands for expenditure always increase and revenue is liable to vicissitudes which cannot be foreseen. It seems to me that nothing can be more contrary to all sound principles than to assume a permanence of relation between revenue and expenditure.

"My Hon'ble friend once more plunges into arguments on the effect of exchange. I wish that I could feel anything approaching his self-confidence in the possibility of fully solving this most difficult problem. I have already in my reply to the Hon'ble Dr. Mukhopadhyaya ventured to submit for consideration, such ideas as I have myself formed on the question of the effect of exchange on the profits of the cultivator. I need here only say that my views are entirely opposed to those so confidently submitted by the Hon'ble Mr. Gokhale.

"On one point in connection with my Hon'ble Colleague's lamentations at what he is pleased to style the destitute condition of the agricultural masses I should perhaps insist, and that is, as I have already pointed out, that the recent famines affected only a small proportion of the total population of British India, and that the material prosperity of the agriculturists who in a large part of the country were favoured by climatic conditions, was advanced by the higher prices which the failure of crops elsewhere enabled them to realise for their produce. I must again repeat that our huge famine expenditure was merely a transfer of wealth, within the Empire, from the pockets of one section of the population to those of another, and finally I would remind my Hon'ble Colleague of the very large remissions of land-revenue and of debt on account of agricultural advances that were made in the distressed districts.

"Again, the Hon'ble Member finds cause for regret in his assumption that the establishment of stability of exchange has increased the debts of the raiyat to the moneylender. But these debts are due in rupee currency, and since

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the price of commodities has, according to his assumption, risen, the raiyat will clearly have less to pay in produce. It is, perhaps, unnecessary to pursue this question any further, since my Hon'ble Colleague takes my warning that the bringing of new lands under cultivation in America and the improvement of communications may cause a decline in the world's prices for agricultural products, as a statement closely connected with the question of exchange in India! Where he or any one else can find the connection I cannot conceive. Moreover, I feel that he has submitted to us but a portion of the arguments on which he bases the faith that is in him, since he authoritatively states that the burdens of the agriculturist have virtually been enhanced by nearly 50 per cent.; but he gives us neither the chain of reasoning nor the calculations by which he has arrived at this extraordinary figure.

"I should perhaps notice one of the somewhat remarkable arguments put forward by my Hon'ble Colleague in connection with the exchange question. What he says is to the effect that, if by raising the exchange value of the rupee to 16 pence, such wonderfully satisfactory results could be produced, why not at once raise it to 18 pence or even to two shillings? Such a question shows that my Hon'ble friend has entirely failed to understand that it is not the precise exchange value of the currency of the country that is of primary importance, but it is the stability of exchange. Sixteen pence was fixed by eminent financiers as the rate of exchange which in their opinion it would be possible to maintain without producing too serious a disturbance in the financial system. It is impossible, I think, even today, to say with certainty that a rate of 15 pence or 17 pence might not have proved better in the general interest of the country than the rate of 16 pence; but the rate actually adopted has been a success, and it is in my opinion an idle speculation to consider what might have been the effect of a penny more or a penny less. As to the suggestion that the rate might have been raised to one shilling and nine pence or two shillings, I must confess my astonishment that my Hon'ble Colleague has not realised the inevitable and disastrous upsettal of all financial stability which such an exaggerated change would have caused.

"I note with a certain amount of satisfaction that my Hon'ble Colleague who comes from Bombay admits that the excise-dues on cotton goods 'are really paid by the consumers.' This is in my opinion the fact, and I sincerely trust that he will succeed in persuading his friends in the Bombay Presidency that he and I are correct on this point.

"My Hon'ble Colleague devotes a considerable portion of his speech to what he considers to be the serious burden inflicted on the population by the existence

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of the Government salt monopoly. Among his arguments, he observes that we have an extensive sea-board and salt-mines, and that we can manufacture every pound of salt that is needed ; any profitable importations from abroad are therefore in his opinion only possible as a result of the existing monopoly system. May I remind him that the existence of gold mines in the middle of the Sahara Desert would be of little value to any one, although gold is much easier to transport than salt. The whole economic question in considering the value of resources is dependent on the possibility of cheap transport to centres of consumption, and although there is doubtless plenty of salt in India it is not always possible to deliver it to Indian centres of consumption at the same cost for transport as is incurred in the delivery of salt from distant, but, as regards this all-important question of cost of carriage, more convenient sources of supply.

“ My Hon'ble Colleague has followed his usual habit in exhausting the vocabulary of adjectives in describing in fanciful language the impoverishment of the country and the abject destitution of the raiyat population. When he takes his seat at this Council table he unconsciously perhaps adopts the role and demeanour of the habitual mourner, and his sad wails and lamentations at the delinquencies of Government are as piteous as long practice and training can make them ; but I have reason to believe that outside these precincts the Hon'ble Member's moods are sometimes in a lighter vein, and we may therefore perhaps hope that his jeremiads do not seriously indicate a feeling of such utter despair as they tend to produce in those to whom he addresses them. There is nothing more distressing than the mental attitude of the mourner who refuses to be comforted.”

His Excellency THE PRESIDENT said :—“ I do not propose to say much about the figures of the Budget. They speak for themselves. Hon'ble Members have found no complaint to make ; and nearly every speech to which we have listened has been in the nature of a beatitude. In my remarks I propose to look rather at the Budget as the culminating point for the moment in an era of recuperation which has now been proceeding for five years almost without a halt, and to contrast the position which we occupy today with that which was presented when I came to India at the end of 1898. My predecessor had to fight—and he fought with great courage and cool-headedness—against many drawbacks, famine, pestilence, earthquake, and war. Recurrent deficits appeared in the Budget. The exchange value of the rupee touched its lowest point, only a fraction over 1s. in 1895. In the summer of 1898 it was proposed to borrow 20 millions sterling in order to strengthen exchange. The year 1898-99 witnessed the turn of the tide and the first of a series of surpluses that have never since failed us. But even then ex-

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change was an uncertain quantity, and we had no guarantee that the pendulum would not swing back. It was in the summer of 1899 that Sir Henry Fowler's Committee reported, and in September of that year we introduced and passed the legislation at Simla which gave us a gold standard in India, and started our present currency system on its way. Nearly five years have gone by, and we have almost forgotten the anxieties of those days. We have secured practical fixity of exchange at the rate of 16*d.* to the rupee. The lowest point touched has been 1*s.* 3 $\frac{3}{4}$ *d.* in July 1901, and the highest 1*s.* 4 $\frac{5}{16}$ *d.* in January 1900: but the ordinary fluctuations have been within much narrower limits. This has been the first and most beneficial result of the change. Hon'ble Members will recollect that another of the Committee's proposals was the creation of a Gold Reserve Fund from the profits of Indian coinage. It was reserved for Sir Edward Law to put that plan into execution in 1900. We began with 3 millions in the first year: but we now have nearly 6 $\frac{1}{2}$ millions invested in Consols and other gold securities in England, and bringing in an interest of £166,000 per annum. Before many years have passed I anticipate that this reserve will have reached the figure of 10 millions sterling, which will be sufficient for our purpose, and will give us a permanent guarantee for stability of exchange. The fund is valuable to my mind from another point of view. Constituted as it is from the profits on coinage, it points to a steadily-growing demand for currency, and, therefore, to an increase in the industrial activity and prosperity of the country. While I am speaking of our reserves, I must also not lose sight of our Currency Reserve, which, though it exists for a different purpose, *viz.*, to secure the stability of our note circulation and to provide for a demand for gold as distinguished from rupees, is yet an important buttress to our financial position. This fund now contains upwards of 10 $\frac{1}{2}$ millions sterling in gold.

"But it is in my power to point to other and more direct symptoms of progress in a comparison of our present Budget with its predecessors. Our revenue has risen from 68 $\frac{1}{2}$ millions in 1899 to 83 millions in 1904, and this notwithstanding one very severe year of famine and in parts of India two years, as well as the continued prevalence of plague. Nevertheless, whatever head of revenue you examine, you will find the same marks of growth. The only heads under which there is a decrease in the present year are those of Salt and Assessed Taxes, and that only because of our reduction of taxation a year ago. For five years we have had a succession of surpluses, amounting to an average of 3 millions sterling per annum. Last year we gave to India the first remission of taxation that she has enjoyed for 20 years. We sacrificed thereby about £1,400,000 annually in respect of the Salt Tax and the Income Tax: but we gave to the people what in my judgment was their due, and we so arranged our remissions as to bring

relief as far as possible to those classes that best deserved it. If our resources continue to expand, I should like to look forward to a day when we may proceed even further. It would, perhaps, be too much good luck for one Viceroy to give two considerable reductions of taxation in his time. But if I am not so fortunate, then I shall hope to bequeath the opportunity to my successor.

"Another evidence of our improving credit has been the figures at which we have been able to issue our rupee paper loans for Public Works expenditure. In 1900 the average rate was just over 94 rupees; last year it was a fraction over 98 Rs. 1 a. The Bank rate has never exceeded 8 per cent. nor fallen below 3 per cent. During the past year it has not exceeded 7 per cent.

"During the quinquennium our total debt, both here and in England, has been increased by less than 16 millions. But against this must be set an expenditure on capital account of nearly 20 millions on Railways and $2\frac{3}{4}$ millions on Irrigation, the increased revenue from which more than repays the interest on the capital outlay. As regards Railways and Irrigation, let me analyse a little more closely. At the end of this year 27,150 miles of railroad will be open, or an increase of 4,650 miles in my time—the largest total that has yet been recorded. But a more important feature still is that having for the first time obtained a surplus from our Railways in 1899-1900—a modest bantling of £76,000—our net Railway revenue has now risen to £855,000—a most healthy adult—or an average surplus of £466,000 in each of the five years.

"In the same period the average net revenue from Irrigation has been £823,000. Thus on the two accounts we obtain an annual surplus of $1\frac{1}{4}$ millions sterling. In fact, we have now secured the whole of our Indian railways and canals for nothing, and instead of costing us money they have become a steady source of income to the State. These figures might, I think, encourage us to borrow with even greater confidence in the future.

"From a calculation that has been made for me I further learn that the net imports of gold and silver into India, which between the years 1894-1899 amounted to 25 millions sterling, have risen to over 46 millions sterling in the succeeding five years. I do not say that I regard this influx of the precious metals with unqualified satisfaction. For I often wonder what becomes of it all, how much of it goes below the ground, and how much is left above, and what proportion is reproductive. But when I read the familiar jeremiads about the alleged drain of capital away from India, it is at least open to me to remark that there is also a great deal coming in, and the drain always seems to me to resemble a flow at one end of a pipe which is perpetually being replenished at

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the other. Again, I do not see how it is possible to overlook the enormous increase in Savings Banks deposits in India. In India these have risen from less than 1 million sterling in 1870 to over $7\frac{1}{2}$ millions sterling in 1903, out of which $\frac{1}{10}$ ths are owned by natives. Within the same period the private deposits in the Presidency, Exchange, and other Private Banks have risen from £6,600,000 to £28,500,000; and the quantity of Government paper held by natives has risen from $13\frac{3}{4}$ millions to $33\frac{1}{2}$ millions sterling.

“Is it not time, therefore, that instead of repeating hypothetical figures and calculations that have been exposed until exposure has become tedious, our critics should recognize the fact that India is, on the contrary, exhibiting every mark of robust vitality and prosperity? These gentlemen remind me rather of an amiable eccentric whom I knew at school, and who always put up his umbrella and insisted that it was raining when the sun shone. In my view there are few, even among the most advanced countries of the world, that would not welcome an economic position as sound as that which India now enjoys. There are, no doubt, calls coming upon us urgent, incessant, and irresistible; for, as I shall presently show, we are raising the administrative standard all round; and administrative efficiency is merely another word for financial outlay. But so far as I can forecast, we shall be able to meet these calls without any addition to the burdens of the people: and if I were to leave India tomorrow, I should yet be proud of the good fortune that had enabled me to indulge in the brief analysis of our financial position which I have undertaken this afternoon.

“There are two other items in the Budget to which I desire to refer, and they are both aspects of the same question, *viz.*, our attitude to Local Governments. One theory I hope that we have effectively killed; and that is the old idea that Local Governments are stinted by the Supreme Government when money is forthcoming. Year by year we have subsidised them for the many calls, administrative and otherwise, that are made upon their purses, and there is not a Governor or a Lieutenant-Governor in India from whom I have not received frequent expressions of gratitude. In the present Budget our bounty has reached its maximum; for in addition to the $1\frac{1}{2}$ crores or 1 million sterling, which has been given to four of the Local Governments to start their new settlements, and the 40 lakhs which we have supplied for education, we have given them $13\frac{1}{2}$ lakhs for the increase of minor establishments, and 87 lakhs for such purposes as the Calcutta improvement scheme in Bengal, the Simla improvement scheme in the Punjab, and important public works in other provinces. Finally, I had been so much struck in my various tours by the

degree to which local institutions, such as hospitals, museums, libraries, public parks, and the like, have been starved or cold-shouldered for more urgent needs that I persuaded Sir E. Law to give a grant aggregating 22 lakhs for these purposes, carefully framed lists having been submitted to me by the various Heads of Administrations. These are just the sort of object that ought, in my view, to profit when funds are available : for they represent the less material and more cultured aspects of the national life. The Hon'ble Dr. Bhandarkar seemed to think that Bombay and other parts of India had been neglected in this respect, and that Calcutta, from its proximity to the Government of India, had alone got its fingers into the national purse. I think that he must have overlooked the items to which I have referred. We have endeavoured to give proportionate treatment to every province : although the fact that Calcutta is an Imperial as well as a provincial capital, necessarily enhances its claim.

The second subject is the new Provincial Settlements, which have been explained in considerable detail both by Sir Edward Law and by Mr. Baker. I alluded last year to the hope that we were on the eve of a noteworthy change in this respect—no less than the substitution of a permanent, or relatively permanent, settlement for the present five years plan. The latter has existed for a quarter of a century. It was better than the system that preceded it, but it admitted of much improvement. It was not an economical plan, because it encouraged extravagance in the concluding years of each term, and it was not a satisfactory plan, because it led to a rather unseemly squabble with the Supreme Government at the end. The better method was clearly to give to local Governments a permanent instead of a temporary interest in the revenue and expenditure under their control, subject to certain broad principles in fixing the provincial assignments. This we have succeeded in doing in the cases of Madras, Bengal, the United Provinces, and Assam, and have thereby laid the foundations of a financial autonomy that, I hope, will steadily develope and will enable the Local Governments in the future to undertake enterprises from which they are now debarred. I mention the matter here, both because of its intrinsic importance, and because I agree with the Lieutenant-Governor in thinking that it furnishes a conclusive answer to those who are always accusing the Government of India of undue centralisation. I would point out that efficiency of administrative control is not centralisation, though it is often mistaken for it. Centralisation is the absorption by a central body of powers or privileges hitherto enjoyed, or capable, if created, of being exercised, by subordinate bodies. I acknowledge no such tendency. We have kept Local Governments up to the mark, because I do not believe in lax or sluggish control,

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or in the abdication of powers which have been provided for special objects. But if an occasion has anywhere arisen where it was possible to devolve or depute powers, we have gladly taken it, and these new settlements constitute, in my view, the most important step in the nature of decentralisation that has been adopted for many years, and will, I hope, be the forerunner of others in the future.

“ Five years ago at this table I spoke of a category of questions which I hoped to take up and press to solution in my time. Two years later I indicated the progress that we had then made. I have not the time, and there is no present need to complete the review now. But a few remarks may be made distinguishing between those that have been more or less disposed of, and those that will occupy us during the forthcoming year. Of course, the task would not then be complete. There is no standing still in administration, and no administrator can mark the point at which his work is done. New spirits start up as soon as old ones are laid : and the horizon lengthens out as we proceed. I think, however, that it is possible to frame a category of cases in which we have either definitely carried our object or reached such a point that continuity is assured. The first of these I desire to detach for special consideration in a few moments. It is Frontier Policy. I have already dealt with the second, and third, and fourth, namely, Currency Reform, Provincial Settlements, and Reduction of taxation. A few days ago I was explaining what we had been able to do in respect of the preservation of antiquities and Archæological reform ; and there the lines have been laid down from which no departure should now be possible. The same applies to the changes in the Leave Rules, that were designed to prevent the frequency of official transfers, and to the reduction of Reports. I have lately had conducted a special examination of every report that reaches the Government of India from whatever quarter, and I am gratified to find that the orders about reduction have been faithfully carried out, with the result of an immense saving of work to overburdened men, and at no sacrifice of value or merit in the reports themselves. The reduction in the Telegraphic rates to Europe, to which I pledged myself in 1899, and which brought down the charge from 4s. to 2s. 6d. a word, has been so successful that we have lately addressed the Secretary of State with a proposal for a further reduction to 2s. with a corresponding reduction in the Press rate. I do not know if we shall succeed. But I think that the result of the first experiment is distinctly encouraging. We were prepared for a loss on the first year's working of £67,000. It was only £33,000. We estimated for a 10 per cent. increase in the traffic. The increase amounted to 26½ per cent. On the 1st of January of the present year we carried out a further reduction in inland rates, which, I

believe, has proved beneficial to all classes of the community. The figures of January show that there was an increase of 25 per cent. in deferred messages alone over the corresponding month in the previous year.

“Next I pass to the large category of questions connected with Education. Our Universities Bill is now the law of the land. But I should have felt that we had acted in a very one-sided and inconclusive manner had we held that Educational Reform was summed up in the reconstitution of the Universities. Our recent Educational Resolution crystallises the principles that result from an examination of every branch of Educational activity, and that will, we hope, inspire our educational policy in the future. It may surprise those Hon'ble Members at this table who sometimes hint at the Simla Conference of 1901, as though it had been a sort of Star Chamber that promulgated dark and sinister decrees, to learn that the results of the Simla Conference, as finally shaped after consultation with Local Governments, are embodied in the recent Resolution. I observe in India that if people do not approve of a policy they denounce it as reactionary. If they cannot disapprove of the official statement of it, they describe it as a platitude. As our Educational Resolution has had the good fortune to be so designated, I conclude that it has been found generally satisfactory. Perhaps, however, I may point out that so far from being a perfunctory statement of obvious principles, it is really the result of nearly two years' hard work. It summarises for the public information the position which we have at present reached in educational progress, and it endeavours to lay down the lines of future advance. Many important aspects of the subject, such as Education in European Schools, Agricultural Education, Commercial Education, Industrial and Technical Education, Examinations for Government service, as well as the entire problem of Primary and Secondary Education in India, find a place in it. Some of these matters we have also dealt with independently. Our scheme for Industrial Schools and for State Technical Scholarships has gone to Local Governments, and is before the public. I rather agree with those Hon'ble Members who were arguing here the other day and who repeated today that educational reform in India is mainly a matter of money. I think it is. We have shown this by the extra grant of 40 lakhs, or nearly £270,000 a year, that we have now made for three years running to the Local Governments. These grants are in addition to the ordinary Educational assignments in the Provincial Settlements. We have also, as is known, promised a contribution of 25 lakhs to the Universities. I should like, however, to go further, and to provide for a serious and sustained expenditure upon educational improvement extending over a long series of years.

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“ There is another very important group of subjects to which we have given great attention. I allude to Economic Development, which may again be subdivided into Agriculture, Industries, and Commerce. Our recent Resolution on Agriculture sums up the practical steps that have been taken for the encouragement and improvement of agriculture, and for the active prosecution of scientific research. We now have our Inspector-General of Agriculture with a staff of scientific experts, we have the new institution at Pusa springing into being, where research, the training of students, and experimental farming will be simultaneously taken in hand, we have strengthened the Provincial Agricultural Departments, reorganised the Civil Veterinary Department, so as to undertake the investigation of cattle diseases and the improvement of breeds of cattle, and created a Board of Scientific Advice to co-ordinate the work that is being done in these and all other branches of scientific research in India. We have centralised bacteriological research at Kasauli and Muktesar. Then I pass to those measures that more directly affect the economic condition of the agrarian classes. We have dealt with the system of Land Revenue Assessments in India, tracing the historical growth of the present system and its steady modifications in the interests of the land-owning or land-cultivating classes, and formulating reasonable and lenient principles for observance in the future. By legislation in the United Provinces we have endeavoured to improve the relations between landlord and tenant. We have attacked the problem of the increasing indebtedness and gradual expropriation of the proprietary body from many sides, by the Land Alienation Bills in the Punjab and Bundelkund, and by the Bill to institute Co-operative Credit Societies, which we passed in this Council last week. We have endeavoured to provide against the break up of landed properties by legislation instituting a modified system of entail in Oudh, in the Punjab, in Madras, and in Bengal. Finally, in 1902 we gave direct benefit to the cultivators by remissions of Land Revenue amounting to nearly 2 crores of rupees, while, in the past five years, we have advanced between 5 and 6 crores to the people for the purchase of seed and the provision of capital.

“ The Government of India have watched with anxious interest, and have done all in their power to develop, the commerce and industries of this country, some of them securely established, others struggling but hopeful, others again nascent or still in embryo. I might refer to our legislation in the interests of tea-gardens, and the institution of a tea-cess, the passing of the Mines Act, the constitution of a Mining Department, and the issue of more liberal Mining rules, the countervailing Sugar Duties, grants for indigo-research, the passing of an Electricity Act, the opening up of the Jherriah coal-fields, reductions

in coal freights, the steady increase in railway rolling stock, for which, as Sir A. Arundel has mentioned in his Memorandum, no less a sum than 3 crores, or 2 millions sterling, have been set aside. We are proposing the creation of an Imperial Customs Service. We have also endeavoured to develop our trade with adjoining countries—by the Nuskhi route with Seistan, by a Commercial Mission which we are arranging to send to South-Eastern Persia, and by new contracts with the British India Company for improvements in their service to the Persian Gulf. I am also hopeful that the Tibet Mission will result in an improvement of trading relations with that country. We have succeeded in obtaining greater advantages in the new contract with the P. and O. Company. We also have a proposal now before the Secretary of State to supersede the Commercial Bureau, for which we at first asked, but to which he objected, by some larger and more powerful organisation, involving the creation of a new Department of the Government of India for Commerce and Industry, and the appointment of a new Member of Council for those purposes. It is to me almost incredible that the Government of India should have got along for all these years with functions and duties huddled together in such haphazard fashion and thrust upon the shoulders of over-worked Departments and harassed men. Commerce has got mixed up with Finance: Industries and Emigration have been grouped with Revenue and Agriculture. The Post Office has been under one Department, and Telegraphs under another. These are only casual illustrations. But they indicate a want of method and co-ordination in our system that are inconsistent either with businesslike administration or with the progress that lies before us. If I can get this new Department created while I am at home, I shall return with greater confidence in our capacity to meet the demands of the future.

“I remarked just now that I should have something to say about Frontier Policy. I have, I think, only spoken twice about this subject in these Debates in six consecutive sessions. It is perhaps scarcely realised in this country that the Foreign Department, which is under the direct charge of the Viceroy, is the most laborious of all. But it pursues its path in a silence which I should be the last to regret, and which is only broken by the storm of criticism that bursts forth when there is an outbreak of trans-frontier war. It is not without some feeling of congratulation that I look back upon five years, unmarked by a single expedition on the entire North-West Frontier, unless the brief military sallies that were undertaken in order to close the Mahsud Waziri Blockade can be so described. This is the first time that such a claim could be made for a quarter of a century. In the petty operations that have

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taken place on a frontier over 1,200 miles in length, only 42 of our men have been killed during that time; 67 more lost their lives in the course of the Mahsud Blockade. But I should be reluctant to measure results by lives alone, or even by money alone, although the economies that have resulted both from withdrawal of troops and from absence of fighting have been very great. I would prefer to look at the spirit of increasing harmony and contentment among the tribes and at the relations that are growing up along the entire border.

“At the end of 1898 the embers of the Tirah conflagration were only just cooling down. New agreements had not yet been entered into with the tribes. Large garrisons of British troops were cantoned in posts far beyond the frontier, at Chitral, at Lundi Kotal, and in the Tochi; great schemes for costly fortifications were on foot, and we seemed likely once more to tread the vicious circle that has beguiled us so often before. My Councillors and I set ourselves not so much to prevent future war by preparing for it as to produce peace by creating the requisite conditions. Our policy was summed up in these principles; withdrawal of British forces from advanced positions, employment of tribal forces in the defence of tribal country, concentration of British forces in British territory behind them, as a safeguard and a support, improvement of communications in the rear. A necessary condition of the successful execution of this policy was the creation of a new administration on the frontier, especially equipped for the purpose, and invested with a more direct responsibility than a Local Government of the old type. Perhaps those who are so severely denouncing the Government of India as a province-maker just now might cast their eyes back to the events of three years ago. We were scarcely less attacked in some quarters for the creation of the Frontier Province then. But who would now go back from it, or who would dispute that Frontier affairs are conducted under it with infinitely superior despatch, with greater smoothness, and so far with better results, than under the former system?

“Let me now ask Hon'ble Members to accompany me on a brief tour round the North-West Frontier from Gilgit to Beluchistan, so that they may see in each case how we stand. We have withdrawn all regular troops from Gilgit, which is exclusively garrisoned, along with its subordinate posts, by Kashmir Imperial Service Troops. If we pursue our way westwards towards Chitral, we come to Mastuj, which is the head-quarters of a corps of Chitrali irregulars, or scouts, whom we are training up for the defence against invasion of the many defensible positions in their narrow and rugged ravines. Chitral itself is a point upon which I look with some satisfaction.

Before I came out to India I was one of the foremost combatants in the movement to retain that place within our political and strategical boundary. We won the day in England, though only by the accident of Lord Rosebery's Government being turned out at the critical moment. However, even when I arrived here I remember being warned that Chitral was the point of danger, that the line of communication between Dir and Chitral was one of extreme tenuity and risk, and that if the connection gradually faded into nothing, no one would be the worse. I, on the contrary, declared my fervent intention to maintain this connection, as absolutely essential to our scheme of frontier defence, and my conviction that it could be done, I will not say without risk, but with success. Since that time we have five times marched our reliefs up and down the Dir Road—quite the most fanatical corner of the mountain border—without a shot being fired. Our troops have been concentrated at the extreme southern end of the Chitral country at Drosh, and the force has been reduced by one-third: while the posts vacated and all outlying posts are now held by levies raised for the purpose from the Chitralis themselves. The young Mehtar of Chitral has three times been down to see me in India, and if anyone were to propose a British withdrawal from Chitral, I know very well from whom the first protest would come. Further, we have just connected Chitral by telegraph with Gilgit. Continuing southwards, I find that in Dir and Swat we had a garrison, in 1899, of 3,550 men. I withdrew the Khar Movable Column in 1902, and our troops, who are now concentrated at Chakdarra, where is the bridge over the Swat River and the starting point of the Dir-Chitral road, at the Malakand and at Dargai, have been reduced by more than one-half, the outlying posts being held by levies from Dir and Swat. The Chiefs of Dir and Nawagai have twice visited me in India, and they in common with all the border chieftains from Hunza to Swat, were included among our guests at the Delhi Durbar. We have fortified the Malakand, and connected Dargai by a narrow-gauge line with Nowshera on the Peshawar Railway, the Kabul river being bridged at Nowshera for the purpose. We are, therefore, in an immeasurably stronger position to meet any sudden or fanatical outbreak in those parts. The elements of unrest are always there, and we shall probably some day have trouble again. But for the moment the omens are favourable: and trade, which has sprung up in a surprising manner, is a great pacificator. Then I come to the Khyber, where in 1899 we had a British garrison of 3,700 men. The whole of these have long ago been withdrawn: and the Khyber Rifles, raised from the Pass Afridis and neighbouring tribes, which had dwindled to a total of 800 after the campaign, have now been reorganised into two battalions officered by Englishmen. With

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them we hold the entire Pass with its connected posts and fortifications. These we rebuilt at an outlay of 5 lakhs, instead of the 15 which had been estimated for in 1898. We have also made, by agreement with the tribes and by tribal labour, the alternative route from Peshawar to Lundi Kotal through the Mullagori country, that was so vainly pressed for 15 years ago, and have connected Peshawar by the broad gauge with Jamrud. We have opened the route through the Kohat Pass from Peshawar to Kohat by arrangement with the tribes: and Kohat has been connected with the Indian railway system at Kushalgarh by a 2' 6" line, which as soon as we have completed the new bridge over the Indus at Kushalgarh, will be converted into broad gauge. Continuing southwards we have created a body from the Orakzais and neighbouring tribes called the Samana Rifles, nearly 500 strong, who have already taken over nearly the whole of the posts upon and below the Samana that were held by regulars five years ago. Our own forces there, which were 1,700 strong, have now been reduced to 600, and will, I expect before long, be altogether withdrawn. Simultaneously we have created a flank support to this position by running the railway from Kohat to Thal at the mouth of the Kurram Valley. From this the regulars have been altogether withdrawn, and the two battalions of the Kurram Militia 1,400 strong, organised on the same lines as the Khyber Rifles and commanded by British Officers, are its sole garrison. In the troubled mountain region between the head of the Kurram and Waziristan we have also settled our border disputes by friendly arrangements with the Amir. Then we come to Waziristan. Here we have cleared out, at the second attempt, the nest of murderous outlaws who had created an Alsatia at Gumatti near Bannu. We have made agreements with the tribes for the opening up of the turbulent corner between Thal and the Tochi, and we have thus been able to proceed at leisure with our policy of conciliation and concentration in the Waziri country. There we were delayed for a long time by the turbulent contumacy of the Mahsuds; and the militia experiment, which we had introduced, also proceeded somewhat evenly. The blockade, however vigorously and unremittingly pursued, and followed by a series of sharp and unexpected punitive counter-raids into the Mahsud valleys, brought the tribe to reason, and matters are now proceeding so evenly that we have recently raised the North Waziristan Militia, which holds the line of the Tochi, to a strength of 1,200 men, and the South Waziristan Militia, which holds the line of the Gomul, to a strength of 1,450. In 1899 the British garrisons of these two valleys numbered 4,000. Before next cold weather the whole of these will have been withdrawn. Waziristan will for some years to come be a section of the frontier that will require careful watching. But the consciousness of the tribes that they are trusted to bear

arms in defence of their country, the security of good employment and regular pay, the tranquillising influence of improved communications and the knowledge that we want to live at peace with them, rather than at war, are all agencies on the right side. The withdrawal of the garrisons that I have named has been balanced by the concentration of the requisite supporting columns at Kohat and Bannu, and the military garrisons in these two Districts number 4,200 and 2,700, respectively. Similarly, the Gomal is supported from Dera Ismail Khan with a garrison of 3,000. Thus along the entire sketch of frontier which I have been describing the situation is completely revolutionised since 1899. If we regard the case from the point of view of British troops, there are now only 5,000 across the administrative border of British India as against 10,200, and these will be further reduced before long; but the supporting garrisons within our border have been increased from 22,000 to 24,000 and have been strengthened by railway connections which were not then in existence. On the tribal side we have called into existence a body of men representing three grades of organisation—Levies over 1,000 strong, Border Military Police over 3,000, Border Militia 5,800. The experiment may still be said to be, if not in its infancy, at any rate in its childhood, and I will not indulge in premature laudation. But five years is a long time on the frontier, and every year gained there is worth two elsewhere. This part of India may not be much interested in what is passing so far away. But I am speaking today through this representative assembly to a wider audience, and I am venturing to inform the entire country how its defences stand.

“I have not much time to pursue my course southwards and westwards through Beluchistan towards the Persian frontier. But I may mention in a sentence that we have done much to consolidate our position there. We have taken Nuskhi on perpetual lease from the Khan of Kelat: we are constructing the Quetta-Nuskhi railway and shall finish it next year; we have built up and popularised the Nuskhi-Seistan trade route, and have planted our officers in Seistan and on the Eastern borders of Persia in sufficient number to watch over our interests and to resist hostile designs. Finally we are consolidating our position in Mekran. Perhaps, however, the measure of the frontier security which we have enjoyed can best be estimated by the ease and safety with which we have been able during the past five years to find troops for service elsewhere, in South Africa, China, and Somaliland. At one time our Indian Army was short, in the interest of these Imperial campaigns, for which of course the Home Government paid, by over 31,000 men. Increased security here has therefore meant increased power of assistance elsewhere.

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“About Foreign Affairs in their wider application I do not propose to say much. I spoke last year about the increasing range of our responsibilities in Asia, and a good deal has happened in the interim to point those remarks. My own view of India's position is this. She is like a fortress with the vast moat of the sea on two of her faces, and with mountains for her walls on the remainder. But beyond those walls, which are sometimes of by no means insuperable height and admit of being easily penetrated, extends a glacis of varying breadth and dimensions. We do not want to occupy it, but we also cannot afford to see it occupied by our foes. We are quite content to let it remain in the hands of our allies and friends: but if rival and unfriendly influences creep up to it, and lodge themselves right under our walls, we are compelled to intervene, because a danger would thereby grow up that might one day menace our security. This is the secret of the whole position in Arabia, Persia, Afghanistan, Tibet, and as far eastwards as Siam. He would be a short-sighted commander who merely manned his ramparts in India and did not look out beyond; and the whole of our policy during the past five years has been directed towards maintaining our predominant influence and to preventing the expansion of hostile agencies on this area which I have described. It was for this reason that I visited that old field of British energy and influence in the Persian Gulf: and this also is in part the explanation of our movement into Tibet at the present time: although the attitude of the Tibetan Government, its persistent disregard of Treaty obligations, and its contemptuous retort to our extreme patience, would in any case have compelled a more active vindication of our interests. I should have thought that the record that I have quoted on the North-West Frontier would have saved me from the charge of a dangerous or impulsive policy on any part of the Indian frontier. I have had no desire to push on anywhere, and the history of the past five years has been one, not of aggression but of consolidation and restraint. It is enough for me to guard what we have without hankering for more. But I would suffer any imputation sooner than be an unfaithful sentinel at my post, or allow the future peace of this country to be compromised by encroachments from the outside as to whose meaning there cannot be any question. If the Tibetan Government is wise it will realise that the interests of Indian defence and the friendship of the Indian Government are entirely compatible with the continued independence and autonomy of Tibet, so far as these may be said at present to exist. But it should also realise that they are incompatible with the predominance of any other foreign influence, carrying with it insecurity on our frontier and adding gratuitously to our cares.

“It seems a natural transition from the objects at which we aim in our Frontier

and Foreign Policy to the means that we possess for securing them, and I pass therefore to the question of our Military Estimates. The military expenditure is going up. Year after year I have foretold it at this table. But it is not going up at so high a rate as in foreign countries: and it is not going up at a higher rate than our necessities demand. I am well aware of the cry that is always raised against military expenditure anywhere, and I yield to no man in my desire to secure to the peaceful millions their due share in the improving prosperity of the country. We are giving it to them in no small measure. But their tranquil enjoyment of what we give is in itself dependent upon the guarantees that we can provide for its uninterrupted continuance, and he would be a faithless guardian of the interests of the people who shuts his eyes to what is passing without in the contented contemplation of what is going on within. The matter could not have been better put than it was in the terse and effective remarks of the Hon'ble Sir Edmond Elles. We are fortunate in possessing as Commander-in-Chief the first soldier in the British Army. He comes to us here with his unrivalled experience and energy. He is addressing himself to the problem of providing India with the army that she needs, and of equipping and distributing that army in the manner best adapted to secure the defence of the country. For this purpose the army must be efficient, not in units alone, but as a whole, and not efficient alone, but as highly efficient as it is possible to make it: it must possess the latest armament: it must be adequately officered: its superior officers must be scientifically trained: it must be as far as possible self-supporting in its ammunition, its weapons, and its stores: its subordinate establishments must be not less effective than the fighting front: and the maximum available force must be capable of being directed to the vulnerable point at the moment of danger. All of these points are engaging the attention of the Commander-in-Chief and the Military Member, and I venture to say that their efforts, supplementing those of the two eminent Commanders who have preceded them and who alas have both passed away, are steadily placing the Indian Army more and more in a position to play its part should the occasion arise. I saw the other day a criticism in a well-informed quarter which said, Why does not the Viceroy, instead of spending money upon internal reform, turn his attention to adding British officers to the sadly under-officered Indian Army? The critic was right in his ideas, but he was wrong in his facts. The Viceroy to whom he alluded had not forgotten this elementary need: and during his term of office he can point to the fact that no fewer than 484 British officers have been so added. This is only one of many conspicuous needs that we have filled. Were I to attempt to recapitulate either what has already

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[*The President.*]

been done or what is in the mind of the present Commander-in-Chief I might detain this Council long. Many of these schemes are alluded to in the memorandum of the Hon'ble Military Member. To me it will always be a gratification to think that I have assisted in measures for providing India with the factories at Ishapore, Cossipore, Jubbulpore, and Wellington, that will practically render her independent of external supplies in guns, rifles, and gunpowder, for raising the reserves of our splendid Native Army by 100 per cent., for equipping the entire army with the latest weapon, and for providing out of our surplus resources for such cardinal needs as coast and other defences. We live in days when even the strong man cannot leave his castle undefended; and when our international rivals are closing in around us with intentions which he who runs may read. I am also glad to have been instrumental in relieving the hardships and reducing the risks of the British soldier's life in India, by providing an electric-punkah installation in all our largest barracks, the cost of which will figure in our Budgets for some years to come.

"In the forthcoming year there are many objects which I look to push forward, before I can contentedly lay down my task. Three of these are on a footing of almost equal importance. We have already done a good deal during the past few years to bring our Railway Administration into closer touch both with the commercial community and with the public at large. But we have not yet reached the final stage. Mr. Robertson's Report was placed in our hands last year; and it embraced so many aspects of reform, bringing in both the Secretary of State, the Government of India, and the Companies, and raising such large questions both of administration and finance, that we could not deal with it rashly or hurriedly. Our views went home to the Secretary of State at the close of last year, and are now being considered by him. They involve an entire reconstitution of our administrative machinery, and an attempt to manage our railways in future on less strictly departmental lines. The object that we have in view can only be attained by the surrender of considerable powers by existing authorities to any new authority that may be constituted: and this is not a matter that can be easily or speedily concluded. I am hopeful, however that a decision may be given in the course of the forthcoming summer, and that this most important project may be duly launched.

"Irrigation is also one of the works of the coming summer. Our sympathies with an expanded irrigation programme have been sufficiently shown by the increased grants that we have given for construction in each year since I came to India. Next year they touch the unprecedented total of $1\frac{1}{4}$ crores. People

[*The President.*]

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sometimes talk as though practically unlimited sums could be spent upon irrigation with little or no trouble. They could perhaps be spent, if experiments were rashly made in every direction, and if there were no objection to flinging money away. No science, however, demands for its practice more careful forethought and planning or more trained supervision. An untrained or inadequate establishment cannot suddenly begin to spend lakhs on tanks and canals. There is no analogy in this respect between irrigation and railways: for private enterprise is ready to help us with the latter, and the question is only one of terms. With irrigation the case is so different that whereas in the last two years we have given 2 crores to Local Governments, they could only manage to spend in 1902, 85 lakhs, and in 1903, 81 lakhs. This summer, however, we hope to address ourselves to an exhaustive examination of all the numerous projects that were worked out by the recent Irrigation Commission for the whole of India. Great expenditure will be required, and much of it will be unproductive in the technical sense of the term. But protection from drought rather than acquisition of revenue is our object: and I venture to think that we shall have it in our power to initiate a comprehensive and far-reaching policy that will do more good to the cultivating classes than any Bills that we can pass in this Council, or any remissions of taxation that the Finance Member might announce in the Budget.

"The third question is Police Reform. I should have been glad had we been able to make public our proposals upon the report of the Commission without delay. But the Secretary of State desires to see the views of Local Governments upon them before he comes to a final decision, and this must inevitably occupy some time. No one need imagine that the matter is being burked or shelved. But it is of such supreme importance that undue haste would merely prejudice the ultimate solution. I am impressed with the remarks that fell from the Hon'ble Mr. Adamson about the Police in Burma. I am aware of the condition of affairs that he has described, and I will look into his request that we should consider it independently of the general reforms which we hope to introduce.

"There are two other subjects to which His Highness the Agha Khan has alluded in his excellent and patriotic speech, and which have been for some time under my consideration. The first is the contributions made by the Indian Princes in the shape of Imperial Service Troops and otherwise to the cause of Imperial Defence. There are anomalies and inequalities in the present system which must strike the eye of any observer: and I contemplate, when I come back to India, taking the Chiefs into consultation on the matter. The second

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[*The President.*]

is the future of the young officers in the Imperial Cadet Corps. I hope to arrive at definite conclusions on the matter before I leave for England a month hence. In the meantime let me assure the Aga Khan that there is nothing in my view wild or visionary in the ideas that have occurred to him. To what degree they may be practicable I cannot at present say. But they appear to me to be eminently deserving of consideration.

“ There are other matters which we have in view, such as legislation for the better protection of game in India, a most difficult subject upon which we have for long been engaged, and many other items of administrative reform. I will not weary the Council with these. But as regards administrative reform in general, I should like to add a remark. When I came out to India every public body or society without exception that addressed me urged me to pursue a policy of administrative reform. Spare us, they said, adventure on the North-West Frontier, extend railways and irrigation, give us a sound currency, develop the internal resources of the country, promote educational and industrial advancement, manage plague and famine with a due regard to the feelings of the community, free the Government machinery from the many impediments to its proper working. I took these authorities at their word, and I have ever since pursued administrative reform, though not, I hope, to the exclusion of other and equally important objects, with an ardour that has never slackened. I have done so, because I think that these advisers were right. Efficiency of administration is, in my view, a synonym for the contentment of the governed. It is the one means of affecting the people in their homes, and of adding, only an atom perhaps, but still an atom, to the happiness of the masses. I say in no spirit of pride, but as a statement of fact, that reform has been carried through every branch and department of the administration, that abuses have been swept away, anomalies remedied, the pace quickened, and standards raised. It has not always been a popular policy ; but if I am at liberty to say so, it has been whole-hearted and sincere. And yet what criticism is now more familiar to me than that no one in India desires administrative reform at all, and that the only benefactor of the people is he who gives them political concessions ? Those are not my views. I sympathise most deeply with the aspirations of the Indians towards greater national unity and with their desire to play a part in the public life of the country. But I do not think that the salvation of India is to be sought on the field of politics at the present stage of her development, and it is not my conception of statesmanship to earn a cheap applause by offering so-called boons, for which the country is not ready, and for which my successors, and not I, would have to pay the price. The country and its educated classes are, in

my view, making a steady advance on the path of intellectual and moral progress, and they have every reason to be proud of what they have achieved. That progress will be continued, so long as they listen to the wise voices among their own leaders: but it will be imperilled and thrown back if it is associated with a perpetual clamour for constitutional change, and with an unreasoning abuse of those who do not grant it.

"The charge, however, that we give an inadequate representation to the ability of the country in our Government is one, that, though frequently repeated, has always seemed to me so fallacious that I have made a special attempt to analyse it; and I will conclude my speech by presenting to this Council the results of an investigation which I have had conducted into every branch of the administration, and which is so interesting, and I think to many people will be so surprising in its results, that I propose to publish it on behalf of Government.

"Let me begin by stating what I conceive to be the general principles that regulate the situation. They are two in number. The first is that the highest ranks of civil employment in India, those in the Imperial Civil Service, though open to such Indians as can proceed to England and pass the requisite tests, must, nevertheless, as a general rule be held by Englishmen, for the reason that they possess, partly by heredity, partly by up-bringing, and partly by education, the knowledge of the principles of Government, the habits of mind, and the vigour of character, which are essential for the task, and that, the rule of India being a British rule, and any other rule being in the circumstances of the case impossible, the tone and standard should be set by those who have created and are responsible for it. The second principle is that outside this *corps d'élite* we shall, as far as possible and as the improving standards of education and morals permit, employ the inhabitants of the country, both because our general policy is to restrict rather than to extend European agency, and because it is desirable to enlist the best native intelligence and character in the service of the State. This principle is qualified only by the fact that in certain special departments, where scientific or technical knowledge is required, or where there is a call for the exercise of particular responsibility, it is necessary to maintain a strong European admixture, and sometimes even a European preponderance.

"Now let me show how these principles are vindicated in practice. I will not recapitulate the history of the case or conduct the Council through the successive stages of Government policy and pronouncement from the Act of 1833 down to the present day. I will give—what is much more eloquent—the concrete

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figures and proportions. They have been compiled for a period of 36 years, the figures not being available before 1867.

"In 1867 the total number of Government posts in India with a salary above Rs. 75, now equivalent to £5 a month, was 13,431. It is now 28,278. In 1867 Europeans and Eurasians held 55 per cent. of the total; they now hold 42. Hindus held 38 per cent; they now hold 50. Muhammadans held 7 per cent.; they now hold 8. Further, while the total number of Government appointments has thus increased by 110 per cent., the figures show that the number of posts held by Hindus has increased by 179 per cent., by Muhammadans 129 per cent., by Eurasians 106 per cent., and by Europeans only 36 per cent. In the proportion of total posts Indians have gained 13 per cent., Europeans and Eurasians together have lost 13 per cent., and 12 per cent. of this loss has been European.

"Next let me give the results of an examination by grades. More than half of the appointments in India are and always have been posts on less than Rs. 200 a month. The European element in these was always small, and is now less than 10 per cent. Of posts on Rs. 200 to Rs. 300, the native proportion has risen from 51 per cent. to 60 per cent.; from Rs. 300 to Rs. 400 from 23 per cent. to 43 per cent.; from Rs. 400 to 500 from 21 per cent. to 40 per cent.; from Rs. 500 to Rs. 600 from 9 per cent. to 25 per cent.; from Rs. 600 to Rs. 700 from 15 per cent. to 27 per cent.; from Rs. 700 to Rs. 800 from 5 per cent. to 13 per cent. Thus in no single grade has the proportion of Europeans increased, while the native increase has been continuous and striking, and has been larger in the higher grades than in the lower. The Rs. 800 line may be said to mark the limit of the Provincial Service. Between Rs. 800 and Rs. 1,000 there were, in 1867, 4 natives in Government employ; there are now 93. Posts on Rs. 1,000 and over may be regarded as superior. In 1867, out of a total of 648 such appointments, 12 were filled by natives, all Hindus, or a percentage of 2. In 1903, out of 1,370 such appointments 71, were filled by Hindus and 21 by Muhammadans; the native percentage being, therefore, 7.

"If I take the standard of pay, I find that the aggregate pay of the total number of posts has risen by 91 per cent. since 1867; but in the case of the aggregate pay drawn by Europeans and Eurasians the increase is only 6 per cent., while for natives of India it is 191 per cent., and for Hindus 204 per cent. The average pay of the total number of posts has fallen by Rs. 31, or 9 per cent., since 1867. But the average drawn by natives has risen from Rs. 175 to Rs. 188, or a rise of 7 per cent., while that drawn by Europeans and Eurasians has fallen by Rs. 2, or 4 per cent.

“ Whatever standard therefore we apply, whether it be number of posts, proportion of posts, or averages of pay, the results are the same. There has been a progressive increase in native employment and a progressive decline in European employment, showing how honestly and faithfully the British Government has fulfilled its pledges, and how hollow is the charge which we so often hear of a ban of exclusion against the children of the soil.

“ In the figures which will be published will be contained the calculations of each decade from 1867 to the present day, so that the movement may be traced stage by stage, and of each province and each department. Summarising the totals, I find, as might be expected and as I have said, that of the 1,370 Government servants drawing salaries higher than Rs. 1,000 a month, or £800 a year, 1,263 are Europeans, of the remainder 15 are Eurasians, and 92 natives. But if I take the ranks below Rs. 1,000 a month and between that total and Rs. 75 a month, *i.e.*, from £60 to £800 a year, then I find that out of a total of 26,908 Government servants, only 5,205 are Europeans, while of the remainder 5,420 are Eurasians, and the balance, or 16,283, is native.

“ It therefore appears that the British Empire employs less than 6,500 of its own countrymen, whether brought from abroad or recruited in this country, to rule over 230 millions of people; but that for the same purpose it employs 21,800 of the inhabitants of the country itself. If we went below Rs. 75 a month, the disproportion would, of course, be overwhelming. Will anyone tell me in the face of these figures that our administration is unduly favourable to the European or grudging to the native element? I hold, on the contrary, that it is characterised by a liberality unexampled in the world. You may search through history, and since the days of the Roman Empire, you will find no such trust. I have endeavoured to procure from Foreign Governments the corresponding figures for their foreign possessions, the Russians in Central Asia, the Dutch in Java, the French in Algeria, in Cochin China, and Tongking. I have not unfortunately been successful. But I have visited the majority of those countries, and have seen what there prevails: and if anyone thinks that they show proportions even remotely comparable with those which I have quoted I can assure him that he is gravely mistaken. For my own part I think that the progressive growth of confidence that is revealed by the tables which I have quoted is honourable to the British Government and honourable to the people of this country. It reveals a European system of Government entrusted largely to non-European hands: what is called a subject country, though I dislike the phrase, administered far less by the conquering Power than by its own sons; and beyond all it testifies to a steady growth of loyalty and integrity on the one part

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[The President.]

and of willing recognition of these virtues on the other, which is rich with hope for the future.

“I will now bring these remarks to a close. The Government of India in my time has been involved in many controversies, and has had to bear the brunt of much attack. Perhaps when the smoke of battle has blown aside, it may be found that from this period of stress and labour has emerged an India better equipped to face the many problems which confront her, stronger and better guarded on her frontiers, with her agriculture, her industries, her commerce, her education, her irrigation, her railways, her army, and her police brought up to a higher state of efficiency, with every section of her administrative machinery in better repair, with her credit re-established, her currency restored, the material prosperity of her people enhanced, and their loyalty strengthened. We shall not deserve the main credit, because we have profited by the efforts of those who have preceded us. But perhaps we may be allowed our share; and may feel that we have not toiled, and sometimes endured, in vain.”

The Council adjourned *sine die*.

CALCUTTA;

The 31st March, 1904. }

J. M. MACPHERSON,

Secretary to the Government of India,

Legislative Department.

[Vide the speech of the Hon'ble Dr. ASUTOSH MUKHOPADHYAYA.]

TABLE A.

[illegible]

TABLE B.

Year.	Exchange in pence per rupee.	Value of exports of merchandise in rupees omit- ting 0000.
1887-88	16.898	90,471
1888-89	16.379	96,978
1889-90	16.566	103,397
1890-91	18.089	100,136
1891-92	16.733	108,036
1892-93	14.985	106,536
1893-94	14.547	106,448
1894-95	13.101	108,815
1895-96 } (a)	13.638	114,263
1896-97 }	14.451	103,914
1897-98	15.354	97,537
1898-99	15.978	112,723

(a) Famine years.

TABLE C.

Increase of Taxation since 1883-84.

	In lakhs of rupees.
1. Income-tax	2.00
2. Duty on petroleum	44
3. Enhancement of Salt-duty	1.90
4. Imported spirits	12
5. General import-duties (excluding petroleum)	1.80
6. Import-duties on cotton goods	1.00
7. Kohat salt-duty	7
8. Re-imposition of the Patwari-cess	25
9. Excise-duty on cotton goods	20
10. Excise	1.00
	<hr/>
	8.78
<i>Deduct</i> —Remission of salt and income-tax	2.08
	<hr/>
Net increase of taxation	6.70
	<hr/>

Income before abatement.	Income after abatement.	Tax at 1s.	Virtual rate of taxation when the tax is at 1s. in the £.	Tax at 1s. 2d.	Virtual rate of taxation when the tax is at 1s. 2d. in the £.	Tax at 1s. 3d.	Virtual rate of taxation when the tax is at 1s. 3d. in the £.
£	£	£ s. d.	Pence in £.	£ s. d.	Pence in £.	£ s. d.	Pence in £.
161	1	0 1 0	07	0 1 2	08	0 1 3	09
180	20	1 0 0	1'33	1 3 4	1'55	1 5 0	1'66
200	40	2 0 0	2'40	2 6 8	2'80	2 10 0	3'00
300	140	7 0 0	5'60	8 3 4	6'53	8 15 0	7'00
400	240	12 0 0	7'20	14 0 0	8'40	15 0 0	9'00
500	350	17 10 0	8'40	20 8 4	9'80	21 17 6	10'50
600	480	24 0 0	9'60	28 0 0	11'20	30 0 0	12'00
700	630	31 10 0	10'80	36 15 0	12'60	39 7 6	13'50

TABLE E.

Stamp duties.

Indian rates.		English rates.	
Receipt or acknowledgment—			
Rs.	a.	£	d.
20	1 1	2	1
1/8 per cent.		1/4 per cent.	
Appraisement—			
Rs.	Rs. a.	£	£ s. d.
50	0 4	5	0 0 3
100	0 8	10	0 0 6
200	1 0	20	0 1 0
500	2 8	50	0 2 6
1,000	5 0	100	0 5 0
1/5 per cent.		500	1 0 0
		Varies from 2 to 25 per cent.	
Apprenticeship deed—			
Rs.			s. d.
5			2 6
Bills of exchange—			
		£	d.
		5	1
		10	2
		25	3
		100	6 to 1s.
		according as the bill is foreign or inland.	
		The rates thus range between 08 to 025 per cent.	
Conveyances or transfers—			
Rs.	Rs. a.	£	£ s. d.
50	0 8	5	0 0 6
100	1 0	10	0 1 0
500	5 0	50	0 5 0
1,000	10 0	100	0 10 0
1 per cent.		200	1 0 0
		1/5 per cent.	
Bonds—			
One-half the above rates.			
Mortgage-deed—			

Proceedings of the Council of the Governor General of India, assembled for the purpose of making Laws and Regulations under the provisions of the Indian Councils Acts, 1861 and 1892 (24 & 25 Vict., c. 67, and 55 & 56 Vict., c. 14).

The Council met at the Viceregal Lodge, Simla, on Friday, the 12th August, 1904.

P R E S E N T :

His Excellency Baron Amptill, G.C.I.E., Viceroy and Governor General of India, *presiding*.

His Honour Sir C. M. Rivaz, K.C.S.I., Lieutenant-Governor of the Punjab.

His Excellency General Viscount Kitchener of Khartoum, G.C.B., O.M., G.C.M.G., Commander-in-Chief in India.

The Hon'ble Sir E. F.G. Law, K.C.M.G., C.S.I.

The Hon'ble Major-General Sir E. R. Elles, K.C.B., K.C.I.E.

The Hon'ble Sir A. T. Arundel, K.C.S.I.

The Hon'ble Sir Denzil Ibbetson, K.C.S.I.

The Hon'ble Mr. H. Erle Richards.

The Hon'ble Lieutenant-Colonel J. A. L. Montgomery, C.S.I.

N E W M E M B E R.

The Hon'ble LIEUTENANT-COLONEL MONTGOMERY took his seat as an Additional Member of Council.

I N D I A N E M I G R A T I O N (A M E N D M E N T) B I L L.

The Hon'ble SIR DENZIL IBBETSON moved for leave to introduce a Bill further to amend the Indian Emigration Act, 1883. He said :—" The grounds of the proposed legislation are fully set forth in the Statement of Objects and Reasons, to which I have nothing to add."

The motion was put and agreed to.

The Hon'ble SIR DENZIL IBBETSON introduced the Bill.

The Hon'ble SIR DENZIL IBBETSON moved that the Bill, together with the Statement of Objects and Reasons relating thereto, be published in the Gazette of India in English, and in the local official Gazettes in English and in such other languages as the Local Governments think fit.

The motion was put and agreed to.

[*Major-General Sir Edmond Elles.*] [12TH AUGUST, 1904.]

INDIAN ARTICLES OF WAR (AMENDMENT) BILL.

The Hon'ble MAJOR-GENERAL SIR EDMOND ELLES moved for leave to introduce a Bill further to amend the Indian Articles of War. He said:—"The object of this Bill is to provide for the confirmation of findings and sentences of courts-martial in the case of persons subject to the Indian Articles of War (Act V of 1869) who are serving in any place other than India, the United Kingdom, the Channel Islands and the Isle of Man. The Government of India are advised that the power, conferred by the Army Act, section 180, sub-section (2), clause a), to convene courts-martial does not include the power to confirm the finding. The opportunity has been utilized for repealing the Second Appendix which, at present, is not strictly in accordance with the Articles and which, with the necessary alterations, can more conveniently be, from time to time, prescribed in the exercise of the rule-making power conferred by article 190. This will be in accordance with the practice under the Army Act and obviates the necessity of legislation every time any alteration in the form for a summary general court-martial is advisable."

The motion was put and agreed to.

The Hon'ble MAJOR-GENERAL SIR EDMOND ELLES introduced the Bill.

The Hon'ble MAJOR-GENERAL SIR EDMOND ELLES moved that the Bill, together with the Statement of Objects and Reasons relating thereto, be published in English in the Gazette of India and in the local official Gazettes.

The motion was put and agreed to.

The Council adjourned to Friday, the 9th September, 1904.

J. M. MACPHERSON,

Secretary to the Government of India,

Legislative Department.

SIMLA ;
The 12th August, 1904. }

Proceedings of the Council of the Governor General of India, assembled for the purpose of making Laws and Regulations under the provisions of the Indian Councils Acts, 1861 and 1892 (24 & 25 Vict., c. 67, and 55 & 56 Vict., c. 14).

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The Hon'ble Major-General Sir E. R. Elles, K.C.B., K.C.I.E.

The Hon'ble Sir A. T. Arundel, K.C.S.I.

The Hon'ble Mr. H. Erle Richards.

The Hon'ble Mr. J. P. Hewett, C.S.I., C.I.E.

The Hon'ble Lieutenant-Colonel J. A. L. Montgomery, C.S.I.

INDIAN STAMP (AMENDMENT) BILL.

The Hon'ble SIR EDWARD LAW moved that the Bill further to amend the Indian Stamp Act, 1899, be referred to a Select Committee consisting of the Hon'ble Mr. Richards, the Hon'ble Mr. Hewett, the Hon'ble Lieutenant-Colonel Montgomery and the mover.

The motion was put and agreed to.

INDIAN EMIGRATION (AMENDMENT) BILL.

The Hon'ble MR. HEWETT moved that the Bill further to amend the Indian Emigration Act, 1883, be taken into consideration.

The motion was put and agreed to.

The Hon'ble MR. HEWETT moved that the Bill be passed.

The motion was put and agreed to.

572 AMENDMENT OF INDIAN ARTICLES OF WAR; BILL TO
SUPPLEMENT CERTAIN PROVISIONS OF THE CITY OF
BOMBAY IMPROVEMENT ACT, 1898.

[Major General Sir Edmond Elles; Mr. Richards] [9TH SEPTEMBER, 1904.]

INDIAN ARTICLES OF WAR (AMENDMENT) BILL.

The Hon'ble MAJOR-GENERAL SIR EDMOND ELLES moved that the Bill further to amend the Indian Articles of War be taken into consideration.

The motion was put and agreed to.

The Hon'ble MAJOR-GENERAL SIR EDMOND ELLES moved that the Bill be passed.

The motion was put and agreed to.

BILL TO SUPPLEMENT CERTAIN PROVISIONS OF THE CITY
OF BOMBAY IMPROVEMENT ACT, 1898.

The Hon'ble MR. RICHARDS moved for leave to introduce a Bill to supplement certain provisions of the City of Bombay Improvement Act, 1898. He said:—"Under that Act a Tribunal was constituted to decide certain questions of compensation and it was provided that there should be an appeal from the decisions of that Tribunal to the High Court. That Act was an Act of the Local Legislature. It has been recently held by the High Court of Bombay that the Local Legislature had no power to give an appeal to the High Court from such a Tribunal and that the provision referred to is invalid. The object of the present Bill is to validate that provision and to give it the authority of the Governor General in Council."

The motion was put and agreed to.

The Hon'ble MR. RICHARDS introduced the Bill.

The Hon'ble MR. RICHARDS moved that the Bill, together with the Statement of Objects and Reasons relating thereto, be published in English in the Gazette of India and in the Bombay Government Gazette.

The motion was put and agreed to.

The Council adjourned to Friday, the 30th September, 1904.

SIMLA;	}	J. M. MACPHERSON,
<i>The 9th September, 1904.</i>		<i>Secretary to the Government of India,</i> <i>Legislative Department.</i>

Proceedings of the Council of the Governor General of India, assembled for the purpose of making Laws and Regulations under the provisions of the Indian Councils Acts, 1861 and 1892 (24 & 25 Vict., c. 67, and 55 & 56 Vict., c. 14).

The Council met at the Viceregal Lodge, Simla, on Friday, the 21st October, 1904.*

P R E S E N T :

His Excellency Baron Ampthill, G.C.S.I., G.C.I.E., Viceroy and Governor General of India, *presiding*.

His Honour Sir C. M. Rivaz, K.C.S.I., Lieutenant-Governor of the Punjab.

His Excellency General Viscount Kitchener of Khartoum, G.C.B., O.M., G.C.M.G., Commander-in-Chief in India.

The Hon'ble Sir E. F.G. Law, K.C.M.G., C.S.I.

The Hon'ble Major-General Sir E. R. Elles, K.C.B., K.C.I.E.

The Hon'ble Sir A. T. Arundel, K.C.S.I.

The Hon'ble Mr. H. Erle Richards.

The Hon'ble Mr. J. P. Hewett, C.S.I., C.I.E.

The Hon'ble Lieutenant-Colonel J. A. L. Montgomery, C.S.I.

INDIAN STAMP (AMENDMENT) BILL.

The Hon'ble SIR EDWARD LAW presented the Report of the Select Committee on the Bill further to amend the Indian Stamp Act, 1899.

A BILL TO SUPPLEMENT CERTAIN PROVISIONS OF THE CITY OF BOMBAY IMPROVEMENT ACT, 1898.

The Hon'ble MR. RICHARDS moved that the Bill to supplement certain provisions of the City of Bombay Improvement Act, 1898, be taken into consideration. He said :—" I have on a former occasion explained to the Council the object of this Bill, and I will only remind them now that it is to cure a technical defect in an Act of the Bombay Legislature."

The motion was put and agreed to.

The Hon'ble MR. RICHARDS moved that the Bill be passed.

The motion was put and agreed to.

* NOTE.—The Meeting of Council which was fixed for the 30th September, 1904, was subsequently postponed to the 21st October, 1904.

[*Sir Edward Law.*]

[21ST OCTOBER, 1904.]

SEA CUSTOMS (AMENDMENT) BILL.

The Hon'ble SIR EDWARD LAW moved for leave to introduce a Bill to repeal certain words in the Sea Customs Act, 1878. He said:—"The object of this Bill is to repeal the words 'or being a colourable imitation thereof' which appear in clause (e) of section 18 of the Sea Customs Act, 1878 (VIII of 1878), as amended by section 10 of the Indian Merchandise Marks Act, 1889 (IV of 1889). These words do not occur in the corresponding clause of the English law [the Merchandise Marks Act, 1887, section 16, clause (1)], and their introduction into the Indian clause appears to serve no useful purpose, while their presence has led to the erroneous supposition that the importation of goods having a name or trade mark which is a colourable imitation of a true name or mark should be allowed if the conditions imposed by clause (e) are complied with, even when the imitation is such as to bring the goods within the terms of clause (d), which absolutely prohibits the importation of goods having a counterfeit trade mark or a false trade description.

The motion was put and agreed to.

The Hon'ble SIR EDWARD LAW introduced the Bill.

The Hon'ble SIR EDWARD LAW moved that the Bill, together with the Statement of Objects and Reasons relating thereto, be published in English in the Gazette of India and in the local official Gazettes.

The motion was put and agreed to.

The Council adjourned to Friday, the 28th October, 1904.

SIMLA;
The 21st October, 1904. }

J. M. MACPHERSON,
Secretary to the Government of India,
Legislative Department.

Proceedings of the Council of the Governor General of India, assembled for the purpose of making Laws and Regulations under the provisions of the Indian Councils Acts, 1861 and 1892 (24 & 25 Vict., c. 67, and 55 & 56 Vict., c. 14).

The Council met at the Viceregal Lodge, Simla, on Friday, the 28th October, 1904.

P R E S E N T :

His Excellency Baron Amptill, G.C.S.I., G.C.I.E., Viceroy and Governor General of India, *presiding*.

His Excellency General Viscount Kitchener of Khartoum, G.C.B., O.M., G.C.M.G., Commander-in-Chief in India.

The Hon'ble Sir E. F.G. Law, K.C.M.G., C.S.I.

The Hon'ble Sir A. T. Arundel, K.C.S.I.

The Hon'ble Mr. H. Erle Richards.

The Hon'ble Mr. J. P. Hewett, C.S.I., C.I.E.

The Hon'ble Lieutenant-Colonel J. A. L. Montgomery, C.S.I.

INDIAN STAMP (AMENDMENT) BILL.

The Hon'ble SIR EDWARD LAW moved that the Report of the Select Committee on the Bill further to amend the Indian Stamp Act, 1899, be taken into consideration.

The motion was put and agreed to.

The Hon'ble SIR EDWARD LAW moved that the Bill, as amended, be passed.

The motion was put and agreed to.

SEA CUSTOMS (AMENDMENT) BILL.

The Hon'ble SIR EDWARD LAW moved that the Bill to repeal certain words in the Sea Customs Act, 1878, be taken into consideration.

The motion was put and agreed to.

[*Sir Edward Law.*]

[28TH OCTOBER, 1904.]

The Hon'ble SIR EDWARD LAW moved that the Bill be passed.

The motion was put and agreed to.

The Council adjourned *sine die*.

J. M. MACPHERSON,

Secretary to the Government of India,

Legislative Department.

SIMLA ;

The 28th October, 1904.

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